

**2015/16**



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ANNUAL  
REPORT**

**Volume I**

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# Chapter 1

## CHAPTER 1 – MAYOR’S FOREWORD AND EXECUTIVE SUMMARY

### COMPONENT A: MAYOR’S FOREWORD

#### a. Vision:

In 2014/2015 Theewaterskloof municipality adopted a 2030-vision for growth and development in terms of parameters set out in the National Development Plan and the Western Cape Development Plan. These interventions were continued in 2015/2016. In accordance with the NDP the municipality has a vision to become an effective and sustainable third tier government.

To enhance the vision, the municipality defined the following as game changers during a growth and development strategic session:

- Optimal public cooperation and participation.
- Increased institutional readiness.
- Realistic public expectations from the municipality.
- Municipal capacity growth to deal with expectations.
- Interaction between the municipality and the public to bridge gaps between expectations and capacities.
- Mitigated threats of elections.
- Role-players with exceptional skills and expertise.
- Growing the institution, corporate governance, income and finances, development, infrastructure and service delivery.

#### This will be done to:

- “Ensure and preserve the heritage and natural resources within the region, create and develop a safe, healthy, crime free, economically stable and viable environment for all”
- “To provide, develop and promote equal opportunities for everyone to stay in a safe, healthy, crime free, economically stable and viable environment through transparent and effective governance, politically stable, planning, services and the efficient and effective utilization of resources”

#### Based on this the following are Key Strategic Objectives

- Long term holistic municipal sustainability.
- Customer specific communication.
- Good client care and customer relations.
- Sufficient infrastructure with at least 20 years design capacities.
- A realistic government fiscal model for funding municipalities.
- Narrowed gap between public expectations and municipal ability regarding service delivery.
- Political stability.
- A broadened and diversified economy.

#### b. Key Policy Developments:

As set out in this document, a process to revise existing bylaws and to develop new ones commenced with public participation processes in 2014/2015 and was published in the 2015/2016 reporting year. These bylaws include the Theewaterskloof Municipality Repeal bylaw, the Bylaw on Municipal Land Use Planning, the Air Quality Management bylaw, the Fencing bylaw, the Control of Fireworks bylaw, the Commonage bylaw, the Public Busses and Taxis bylaw, the Sports Facilities

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bylaw, the Waste Management bylaw, the Aerodrome bylaw and the Community Fire Safety bylaw.

## c. Key Service Delivery Improvements:

Service delivery is largely based on infrastructure and in this regard the municipality had to mitigate several challenges that relates to insufficient bulk services infrastructure.

The municipality identified a need to upgrade existing infrastructure which is on the verge of collapsing, to increase the capacities of existing infrastructure and to build new and additional infrastructure.

Insufficient funding remains a challenge and the municipality adopted an approach to create a reserve fund from which infrastructure can be upgraded and built.

An approach was also adopted to obtain state funding for infrastructure development in areas where people pay taxes and tariffs and in grant-funded areas.

These approaches were implemented with various levels of success whilst the following notable infrastructure work was done.

- o Funds were obtained to complete the multi-sport code field in Villiersdorp and the project was completed.
- o Park Street in Greyton was upgraded.
- o Roads were tarred in Botrivier.
- o Electricity was provided to 251 houses in Villiersdorp.
- o High mast lights were deployed in Villiersdorp and Grabouw to enhance community safety.
- o Existing networks in Greyton, Riviersonderend, Villiersdorp and Caledon were upgraded.

TWK municipality continued the practice of Service Level Agreements and public involvement in service delivery. SLA's are public driven in terms of evaluation of service delivery levels performed by the local town managers and determining outcomes. These outcomes are used to improve the level of services rendered to communities.

The municipality owns pieces of land that is utilized for sport disciplines like rugby, soccer, golf, tennis, squash, pigeon flying and bowls. These facilities are in Caledon, Botrivier, Villiersdorp, Grabouw, Greyton, Genadendal, Riviersonderend, Boschmanskloof, Bereaville and Voorstekraal. In most cases these facilities are maintained by the municipality whilst it is often upgraded or repaired.

TWK was identified by the Western Cape Department of Economic Development and Tourism; as well as the South African Local Government Association as the municipality who created the best business development environment, through its LED department, in the province.

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## d. Public Participation:

The municipality refined on and approved a public participation policy to comply with legal requirements, to make development plans and services more relevant to local needs and requirements, to take responsibility for services and to promote community actions and to empower local communities to have better control over their lives and livelihoods.

The document provides a policy framework for public participation in TWK municipal area and provides mechanisms for the public to participate in local government.

The document is not only legally compliant but a guideline of practical interventions to enhance public participation in local government.

The document deals with key public participation principles: inclusivity, diversity, building the community participation, transparency, integration, flexibility, accessibility and accountability.

Council approved client care and customer relations strategies to create functional relations between the client; and the municipal administration and political authority.

The municipality analysed the state of clients and municipal relations and the strategies had an effect on debt collection, service delivery, municipal sustainability; the development of the annual IDP and budget; and public participation in consultation processes, town management, Service Level Agreements (SLA) and ward committees.

A new strategic approach was developed and adopted to make ward committees more accessible for communities. This approach was developed in articulation with the Western Cape Provincial Government to improve the relevancy of ward committees. The crux is to ensure that communication flows from the community to the committees, from the committees to management and council and all the way back again to communities.

## e. Future Actions:

The future focus hinges on the implementation of the vision as to enhance the developmental profile of the municipality and improved sustainability.

Actions to improve the municipal sustainability ratings will continue to ensure long term municipal viability and local governance.

Ratings Africa found that Theewaterskloof is one of a few whose rating has improved. In 2014 it improved to 45% from 28% in 2012.

A key intervention was to identify key matters that the new council of 2016 will have to deal with after the national municipal elections. The municipality deemed this important to ensure continued local governance momentum and the enhancing of existing growth and development strategies and plans.

The outcome of a strategic planning session in this regards were set out in a "testament" to the new council.

The strategic workshop identified the following as the five most critical challenges facing the next Council: financial sustainability; managing the migration phenomena; collapsing infrastructure; public expectations; and troublesome communities.

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## f. Conclusion: Final thoughts on the year.

Local government is where the people and the leaders of the country meet on ground level; it is also the place where people articulate their most basic needs. In the past year the municipality created good relationships and communication tools with the people of Theewaterskloof.

There is understanding for the need to create an environment where the people can live and play with greater freedom. To facilitate this, the municipality adopted, as primary driving forces, the National Development Plan and the Provincial Development Strategies as primary interventions to create opportunities and open societies.

As the Mayor of Theewaterskloof Municipality I treasure the people of the municipal area who provide us an opportunity to serve them. I treasure a committed Mayoral Committee, Council and administration.

I praise The Lord for guiding us day after day.

(Signed by): \_\_\_\_\_

**Executive Mayor**

# Chapter 1

## COMPONENT B: EXECUTIVE SUMMARY

### 1.1. MUNICIPAL MANAGER'S OVERVIEW

#### Influences on the report year

In 2015/2016 Theewaterskloof Municipality, in the execution of its mandates, complied with the Local Government: Municipal Systems Act 32 of 2000 and the Local Government: Municipal Structures Act 117 of 1998.

The municipality ensured effective compliance with the Municipal Financial Management Act and obtained another clean audit from the Auditor General.

In terms of interaction with the public the municipal administration operated in articulation with the Batho Pele Principles and internal strategies to enhance client care and sustainable communication.

In 2015/16 municipal sustainability threats lead to innovative interventions.

The crux of these interventions is to grow an environment for local economic growth and the broadening and diversifying of the local economy.

These interventions are needed to create job opportunities, to reduce poverty, to improve community cohesion and socio-economic and welfare levels, to reduce crime and to broaden the municipal income bases through taxes and tariffs.

In 2015/16 council and administration decided to implement a fiscal reform that will lead to a move from a service tariff funded model to a rates funded model. This reform was announced by the mayor in his budget speech. The mayor also announced that a percentage of the profits from trading services would be allocated to a capital replacement reserve fund for infrastructure development.

Economic development suffered serious setbacks when illegal land invasions and informal settlement areas escalated out of control. The capacities of the administration became very thin as it had to provide services with a structure that was established for the needs of a decade ago.

To mitigate these challenges the administration and council joined forces to find solutions. This resulted in sustainable decisions and plans to secure a sustainable future for Theewaterskloof municipality as an effective medium and long term provider of municipal services and development and growth.

A strategy was also implemented to ensure a smooth transition from the third term Council to that of the fourth term of the municipality.

After a strategic workshop with Council and the municipal administration I developed a document that will inform the new council of the development and growth of the municipality since 2000 and the key challenges and threats they must mitigate to ensure good long term municipal governance in Theewaterskloof.

#### Alignment of IDP with Council and Public Priorities

The municipality finalized an IDP based on a plan that was accepted by all role-players and stakeholders and which reflects the inputs of corporate, council, ward committees and town forums.

In the planning, drafting and debriefing phases of the IDP the public had ample opportunities to make inputs and to express their desires and needs.

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In an environment of financial unsustainability and extensive public expectations versus limited municipal abilities and capacities the municipality successfully mitigated the risk of alienating the community as expectations by and large exceeded operational revenue. The budget could only address key needs and was only able to maintain the status quo with service delivery.

The IDP process complied with high levels of integrity and transparency and the public was throughout alerted to the fact that only a small percentage of their needs would reflect in the budget for 2016/2017 and the two outer years.

In the debriefing sessions it was clear that the communities understood the financial constraints of the municipality. It also confirmed acceptable levels of good will between the local government and the people in serves.

The municipality succeeded with integrated governance and continued to enhance the public's constitutional freedom to participate in the governance of matters that affect their lives. The municipality complied with acceptable levels of supporting Ward Committees, Service Level Agreement Advisory Forums (SLAAF) and public private consultations.

The IDP, and all other interventions mentioned, was deployed as a mechanism to incorporate the vision of the National Development Plan and the Provincial Development Strategy in the operational mandate of Theewaterskloof.

Initiatives such as Violence Prevention through Urban Upgrade (VPUU), the HAN/TWK-community welfare and socio-economic enhancement project and the Biggest Deal Challenge, which resulted from a partnership agreement between Theewaterskloof and Tyresö municipality in Sweden, became embedded with the goals and objectives of the IDP. In the roll-out of all these projects and programs the municipal administration created valuable partnerships with regional, national and international partners.

## **Service delivery and infrastructure**

Despite the financial and especially income sustainability challenges the municipality identified and dealt with in 2015/2016, the local authority continued with acceptable levels of service delivery and infrastructure development, upgrading and maintenance.

Existing and new infrastructure enabled the municipality to maintain its bulk capacities. The municipality spent its Municipal Infrastructure Grants sensibly and new developments such as the Water Purification and Waste Water Treatment Plants in Grabouw and Villiersdorp offer capacities for at least 20 years.

In terms of being available to the people the municipality embarked on an information center concept. Included in the interventions are newly established help desks at towns, the Grabouw Thusong Centre, and general public support at the libraries.

In terms of communication services the municipality participated in a website development project of the Western Cape Province. The sms-communication footprint was extended and also the use of social media. The municipality adopted a strategy for communications and client care and strengthened its internal role out ability for these strategies through a Client Care Steering Committee. The latter is involving all directorates and town offices in communication and client care interventions.

## **Financial sustainability**

In 2014/2015 the municipality reacted on a declining sustainability.

The fact that government bases its support for local government on the population counted during the census added to the sustainability threat.

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The census counted 108 000 people. The undercount, conceded, was as much as 20%. The reality shows that there are more likely 140 000 people in Theewaterskloof of whom 53% falls in the indigent category. Funding for Theewaterskloof municipality is based on the 108 000 and not the real figure of 140 000.

Interventions to turn the tendencies around were introduced, with varied levels of success, in 2015/2016.

Recently Ratings Africa found substantial improvements in the sustainability levels of Theewaterskloof local government. In 2012 Ratings Africa scored Theewaterskloof at 28% which effectively meant that the municipality was in terms of financial sustainability in a state of intensive care.

This prompted the municipal council to adopt corrective measures and in 2013 the score improved to 37%, in 2014 to 45% and in 2015 to 50%.

According to Ratings Africa the score of Theewaterskloof municipality improved in 2015 with 5% whilst the average score of the 100 municipalities evaluated changed little and sits at 43%.

The average score of Western Cape municipalities improved with 14% from 46% in 2012 to 60% in 2015. Over the same period Theewaterskloof's score improved with 22%.

The matter of financial sustainability remains critical as the municipality receives less funding for grant funded areas from national government.

The municipality adopted plans to enable it to be more dependent on its own tax and tariff income. The municipality adopted a Stand Operating Procedure SOP to fast track local economic development through business development and a more diverse economy.

## **Conservation of water and electricity**

In terms of saving electricity and water as scarce commodities the municipality uses its newsletters to sensitize the public in this regards.

The accelerated deployment of water and electricity prepaid meters probably reduced the quantities utilized in Theewaterskloof. In addition the municipality is constantly monitoring systems to prevent water losses.

Faulty infrastructure causing losses are repaired as soon as the municipality is alerted of it.

## **Future challenges**

Looking at the future the municipality identified several key matters to be dealt with in 2016/2017:

- Addressing the limited municipal operational structure and capacities to serve 140 000 people and obtaining national funding based on the needs of 140 000 people.
- Developing alternative income sources; i.e. other than rates and taxes.
- The excessive cross subsidizing of rates by trading services and the impact it has on the ability to build municipal capital reserve funds.
- Replacing or upgrading ageing infrastructure and building an infrastructure upgrade reserve funds.
- Municipal sustainability considerations versus the affordability of the Municipal Bill. The indigent population amounts to 53% and this creates huge pressure on the 47% who carries the bulk of the municipal bill.
- The phenomenon that vast numbers of people constantly migrates to Theewaterskloof and the effect this has on housing needs, illegal land invasions and an inadequate operational budget.
- Obtaining funding to upgrade informal settlement areas as a prerequisite to develop satisfied and constructive communities.
- Redressing the housing approach from top structures to serviced sites to facilitate more housing opportunities. This includes the auditing and upgrading of the current housing beneficiary lists.

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## Final remarks

2015/2016 was a testing one but at the end many plans and solutions were found for problems that leaves one with hope and optimism for the future. There are light at the end of the tunnel.

The council and administration did a sterling job with limited funds and capacities. It leaves the council and administration of the fourth term of the municipality with governance of a high integrity and sustainable high levels of service delivery.

I thank the Executive Mayor for supporting the administration. I thank Council for their inputs and for the political stability they created. I thank my team of directors and their employees; you have done a great job.

I thank our Heavenly Father for his guidance.

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**Davy Louw**  
**Municipal Manager**

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## 1.2. MUNICIPAL FUNCTIONS, POPULATION AND ENVIRONMENTAL OVERVIEW

### 1.2.1 INTRODUCTION TO BACKGROUND DATA

The 2015/16 Annual Report reflects on the performance of the Theewaterskloof Municipality for the period of 1 July 2015 to June 2016. The Annual Report is prepared in terms of Section 121(1) of the Municipal Finance Management Act (MFMA), of which the Municipality must prepare an Annual Report each financial year.

### 1.2.2 POPULATION

Theewaterskloof Municipality is the largest local authority in the Overberg District with an area of approximately 3231km<sup>2</sup> and houses 13 wards. It is the most populous municipality accounting for 42% or 108 790 of the Overberg District's population in 2011. Compared to the 2001 census, Theewaterskloof's population growth is estimated to have increased with 16.6%.

#### 1.2.2.1 TOTAL POPULATION

MUNICIPALITY	CENSUS 2001	COMMUNITY SURVEY 2007	CENSUS 2011	% GROWTH
Theewaterskloof	93 276	86 721	108 790	16.6%

#### 1.2.2.2 TOTAL POPULATION

Ward	Black African	Coloured	Indian or Asian	White	Other	Grand Total
1	1395	6222	38	1535	65	9256
2	312	7246	41	697	148	8443
3	1402	9277	24	398	74	11174
4	1180	3348	29	2487	59	7102
5	4188	5369	101	1868	101	11627
6	2711	3846	18	85	146	6805
7	1685	5806	28	620	83	8223
8	2603	2450	0	7	6	5066
9	2018	5581	22	373	2	7995
10	1409	3874	10	553	58	5904
11	2072	2814	21	363	23	5293
12	3070	4318	14	161	14	7576
13	4713	8326	42	1025	218	14325
Grand Total	28757	68478	387	10173	995	108790

Ward	Male	Female	Grand Total
1	4730	4526	9256
2	4123	4320	8443
3	5633	5541	11174
4	3650	3452	7102
5	6700	4927	11627
6	3466	3339	6805
7	4118	4105	8223
8	2566	2500	5066
9	4124	3871	7995
10	3000	2904	5904
11	2641	2653	5293
12	3607	3970	7576
13	7105	7219	14325
Grand Total	55463	53327	108790

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## 1.2.2.3 POPULATION CHARACTERISTICS

Population Size	Annual Growth Rate	2001	2011	¹Projected Population Estimates					
				2015	2016	2017	2018	2019	2020
Population Growth	1.5%	93 274	108 790	114 780	116 231	117 657	119 052	120 413	121 739

According to population estimates by the Department of Social Development, Theewaterskloof's population is expected to grow from 114 780 in 2015 to 121 739 in 2020. The total equates to average annual growth of 1.2 percent and 6.1 percent increase from the 2015 base estimate.

POPULATION GROUP	2001	2011	%Growth
African	21 204	28 757	35.6%
Coloured	61 370	68 478	11.58%
Indian/Asian	165	387	134.5%
White	10 540	10 173	-3.48%
Other		995	
Total Growth %			16.6%
Population Density Per Square Km		34 persons km²	

The Coloured racial group was the largest group within the municipality in both 2001(61 370) and 2011(68 478), showing an 11.58 percent growth. The White racial group's share of the total population declined from 10540 in 2001 to 10 173 in 2011 whilst the African racial group's share of the total population has increased from 21 204 in 2001 to 28 757 in 2011. The Indian/Asian racial group is relatively small compared to the other groups although it's showing a steady growth.

GENDER DISTRIBUTION	2001	2011	%Growth
MALE	48 527	55 463	14%
FEMALE	44 749	53 327	19%
Males per 100 females		104	

Both 2001 and 2011 Census estimates shows that the males are the majority of the Theewaterskloof population, although the females have shown bigger growth in 2011.

AGE PROFILE	2015
0-14	25%
15-64	69%
65+	6%

The Statistics shows that a large share of the population can be located amongst the younger population and declines steadily amongst older age cohorts. Theewaterskloof municipality boasts with a relatively young population.

## 1.2.3 POPULATION

The total number of households within the municipal area increased from 21 572 households in 2012/13 financial year as per census 2011 data to a total of 28 884 in 2015/16 financial year.

In previous financial years the number of accounts was used to determine the number of households, in the 2014/15 census data was used to determine number of households

Households	2012/13	2013/14	2014/15	2015/16
Number of households in municipal area	21572	28 884	28 884	28 884
Number of indigent households in municipal area	5749	15 308	15 308	15 308
Percentage of indigent households in municipal area	26.65%	53%	53%	53%

<sup>1</sup> Projection by Western Cape Department of Social Development,2015

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## 1.2.4 SOCIO ECONOMIC STATUS

The socio-economic information for the municipal area is as follows:

Housing Backlog		Employment								Household with no Income %	Literacy Rate
People on the Waiting List		Employed		Unemployed		Discouraged Work Seeker		Not economically Active			
People	%	People	%	People	%	People	%	People	%		
8 593	7.9	40 568	53.8	7 076	9.4	1 968	2.6	25 851	34.6	11.8	78.4

The official unemployment rate as per StatsSA Census 2011 for Theewaterskloof municipality is 14.9% excluding discouraged work seekers (18.3% if including them).

## 1.2.5 OVERVIEW OF NEIBOURHOODS WITHIN THE MUNICIPALITY

TOWN	CENSUS 2001		CENSUS 2011			
	WARD	POPULATION	POPULATION	NUMBER OF H/H	NUMBER OF H/H (FARMS)	% GROWTH
RIVIERSONDEREND	1	8534	9256	1477	1234	8.46
GREYTON / GENADENDAL	2	12304	8443	2582	0	-31.38
CALEDON	3	6566	11174	2805	0	70.17
CALEDON	4	9847	7102	859	1353	-27.88
VILLIERSDORP	5	9078	11627	1134	1621	28.08
VILLIERSDORP	6	8252	6805	2245	0	-17.53
BOTRIVIER	7	10320	8223	1579	514	-20.32
GRABOUW	8	2661	5066	1029	0	90.37
GRABOUW	9	18244	7995	126	1467	-56.18
GRABOUW	10	7473	5904	0 (FARM)	1397	-20.99
GRABOUW	11	N/A	5293	1552	0	
GRABOUW	12	N/A	7576	1127	506	
GRABOUW	13	N/A	14325	3796	0	
	Total	93276	108790	20311	8093	14%

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## 1.2.6 NATURAL RESOURCES

Natural Resources	
Major Natural Resource	Relevance to Community
Wesselsgat Dam	This is the main water sources for Grabouw.
Eikenhof Dam	This is the main water sources for Grabouw.
Botriver Bore holes x 6	This is the main water sources for Botriver.
Olifant bos stream	This is the main water sources for Riviersonderend.
Riviersonderend river	This is the main water sources for Riviersonderend.
Platkloof river	This is the main water sources for Greyton.
Wolwekloof river	This is the main water sources for Greyton.
Gobos river	This is the main water sources for Greyton.
Boschmanskloof river	This is the main water sources for Greyton.
Beviaan river	This is the main water sources for Genadendal.
Sewefontein river	This is the main water sources for Genadendal.
Koringlandskloof stream	This is the main water sources for Genadendal.
Bereaville stream	This is the main water sources for Bereaville.
Voorstekraal stream	This is the main water sources for Voorstekraal.
Kommiesiekraal river	This is the main water sources for Villiersdorp.
Elandskloof	This is the main water sources for Villiersdorp.
Tesselaarsdal Mountain stream	This is the main water sources for Tesselaarsdal.
Tesselaarsdal Borehole	This is the main water sources for Tesselaarsdal.
Bethoeskloof stream	This is the main water sources for Tesselaarsdal.
Greyton Nature Reserve in the Mountains of Greyton	Serves has hiking trails. Great attraction for tourism and hiking. Beautiful scenery and full of indigenous plants.
Caledon Wild Flower gardens and Nature Reserve	Serves has hiking trails. Great attraction for tourism and hiking. Beautiful scenery and full of indigenous plants. People can also visit the Botanical Gardens
Kogelberg Biosphere Reserve	Serves has hiking trails. Great attraction for tourism and hiking. Beautiful scenery and full of indigenous plants.
Theewaterskloof Dam	Sport & Recreation

## 1.2.7 COMMENT ON BACKGROUND DATA

The population data depicted above is based on the Census 2011 results therefore it does not give the true reflection of the municipal population. Current population projections shows that the municipality's population is annually growing at a 1.5 percent .

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## 1.3. SERVICE DELIVERY OVERVIEW

There are no backlogs with respect to basic water and sanitation services in the urban areas of the municipality. It is however estimated that there might still be households on the farms and informal settlements with existing service levels below RDP standards.

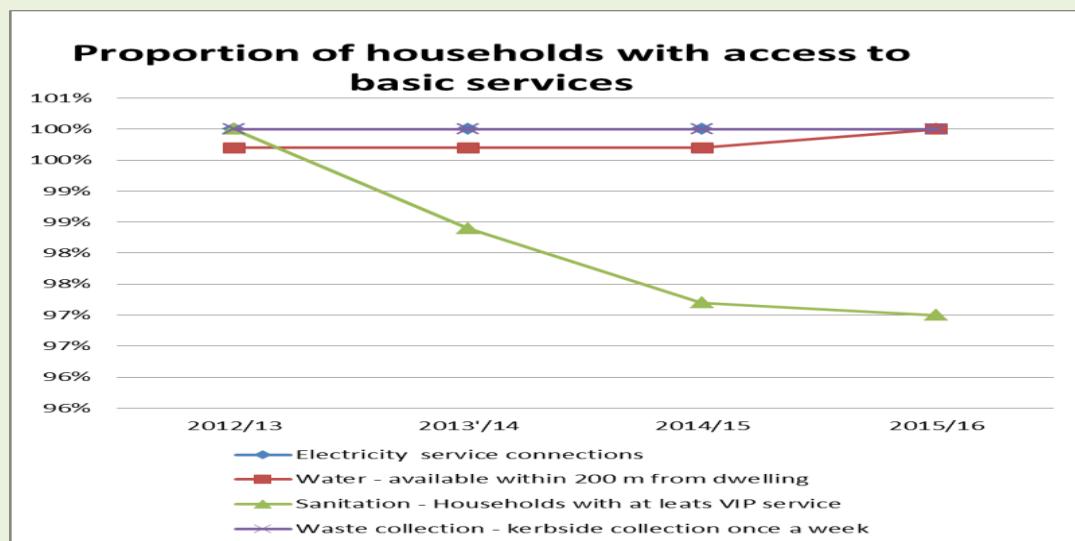
### 1.3.1 SERVICE DELIVERY OVERVIEW

### 1.3.2 PROPORTION OF HOUSEHOLDS WITH ACCESS TO BASIC SERVICES

The table and graph below depicts the proportion of households with minimum levels of basic services.

**Proportion of Households with minimum level of Basic services**

	2012/13	2013'/14	2014/15	2015/16
Electricity service connections	100%	100%	100%	98%
Water - available within 200 m from dwelling	98%	99.7%	99.7%	100%
Sanitation - Households with at least VIP service	100%	98%	97%	97%
Waste collection - kerbside collection once a week	100%	100%	100%	100%



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## 1.4. FINANCIAL HEALTH OVERVIEW

### 1.4.1 FINANCIAL OVERVIEW

Four years ago Theewaterskloof Municipality was identified as the least financially sustainable municipality in the Western Cape. This was confirmed in a report released by Ratings Africa and also by the benchmarking tool developed by Provincial Treasury. In addition, the Auditor-General has also emphasized the financial health challenges in the draft management report on the annual financial statements for 2012/13.

At a strategic workshop held at Arniston during September 2013, it was once again agreed by all participants (Councillors and Management) that financial sustainability is the biggest challenge facing the municipality and must therefore be the main priority of the municipality. Regardless of whatever whichever ratings agency said, the administration of TWK has for the past 9 years been able to keep the municipality financially viable and stable and at no point was the municipality in a position where it faced a financial collapse. Over the last three years considerable improvement has been made and the financial sustainability of the municipality has been made, from being rated as the 3<sup>rd</sup> least financially viable municipality of the 100 “big” municipalities to now falling within the middle group. According to Ratings Africa the score of Theewaterskloof municipality improved in 2015 with 5% whilst the average score of the 100 municipalities evaluated changed little and sits at 43%.

The average score of Western Cape municipalities improved with 14% from 46% in 2012 to 60% in 2015. Over the same period Theewaterskloof’s score improved with 22%.

The table below indicates the financial viability score of the municipality over the last 5 financial years.

Financial Sustainability Index	2011	2012	2013	2014	2015
Budget position	41	28	33	39	57
Operating performance	11	11	12	18	20
Liabilities management	44	31	49	57	60
Liquidity management	10	4	22	46	48
<b>Financial stability</b>	<b>23</b>	<b>16</b>	<b>27</b>	<b>41</b>	<b>46</b>
Affordability	46	44	43	45	46
Infrastructure development	45	63	70	65	72
<b>Sustainability Index score</b>	<b>30</b>	<b>28</b>	<b>37</b>	<b>45</b>	<b>50</b>

\*\*\*\*\* Last updated January 2016 (Ratings Africa)

The above mentioned results were also confirmed by the management report of the Auditor-General who rated the municipality’s financial viability score as “good”. The before mentioned report nevertheless highlighted areas of concern that might pose a risk to the future financial sustainability of the municipality.

In comparison to the prior year; the net surplus, net current assets, liquid asset percentage, the amount of cash and cash equivalents as well as cash flows from operating activities has shown a negative trend.

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This however does not mean that we are out of danger and continuous strict management decisions must be made to ensure that the ever remaining challenges are being addressed which include but is not limited to:

- Low debtors Collection Levels
- Electricity revenue supplies to the minority of towns and industrial consumers. This not only has a negative impact on the direct revenue from electricity sales but also impact negatively on debt collections revenue.
- Poor liquidity position
- Exposure to long term liabilities
- Lack of reserve funds
- High levels of capital expenditure
- Cost of Compliance – e.g. Municipal Standard Chart of Accounts (The mSCOA regulations were gazetted on 22 April 2014, which established the application of the mSCOA in local government as a legislated requirement. mSCOA will take effect on 1 July 2017 and will thus impact the 2017-18 financial statements and audits of all local government auditees. The estimated cost of implementation for Theewaterskloof is in the region of R4.5m.)
- Range of unfunded mandates
- the migration phenomena
- errors in recent census results (contributing to the incorrect division of revenue from the national fiscus) It is estimated that the undercount could be in the region of 20% as the reality indicates that there are more likely to be 140 000 people in the area rather than the 108 000 indicated by the census.
- The amount of funds required to keep collapsing infrastructure from becoming collapsed infrastructure

The municipality has gone through great lengths to address the low collection rate. 2013/14 financial year saw the introduction of the Door to Door project, the main objective was to ensure that information contained on the financial system are accurate and reliable, this refers to both debtor data and services data. This project assisted in ensuring that the municipality collect all monies due to it and assisted the debt collection department to perform their function optimally and ultimately increase the collection rate. Although introduced in 2013/14 the project was optimally running in the 2014/15 financial year. Grabouw one of the towns with the lowest collection rate was used as a “pilot” town. The success of the project of Grabouw can be seen in the fact that the town’s collection percentage increased from 65% (start of the project) to 71% at financial year end 2014/2015. After the success experienced in Grabouw the municipality decided to replicate the project and roll-out in Botriver, another town with low collection rates. The project was implemented in 2015/16 and the municipality is expecting to reap the rewards in 2016/17.

The financial viability steering committee to a large extent assisted in the improvement of the financial sustainability position of the municipality, this committee was temporarily suspended in the face of municipal elections. The municipality will once again in 2016/17 evaluate the best possible options of addressing the financial viability challenge and in all likelihood reintroduce the steering committee with councillors serving as members on the committee.

TWK is continuing to lobby (through SALGA) for a review of the fiscal model. The municipality is also one of the major role players in the attempts to either take over electricity distribution in its area from ESKOM or alternatively receiving revenue in the form of a surcharge from ESKOM and introducing a Service Delivery

# Chapter 1

Agreement between with ESKOM. This will improve revenue and debt collection ratios considerably. The municipality will continue to explore innovative methods to address its financial sustainability challenge.

## 1.4.2 FINANCIAL OVERVIEW 2015/16

Financial Overview -2015/16			
Details	Original budget	Adjustment Budget	R' 000 Actual
Income			
Grants	(175 003)	(201 367)	(160 335)
Taxes, Levies and tariffs	(253 487)	(251 778)	(252 680)
Other	(37 715)	(51 965)	(71 659)
Sub Total	(466 204)	(505 110)	(484 674)
Less Expenditure	449,331	488,949	439,390
Net Total*	(16 873)	(16 161)	(45 283)
* Note: surplus/(deficit)			T1.4.2

## 1.4.3 COMMENT ON OPERATING RATIOS

Operating Ratios	
Detail	%
Employee Cost	35%
Repairs & Maintenance	5%
Finance Charges & Depreciation	9%
	T1.4.3

The norm for Employee Related Cost to the Total Operating Budget range between 25% and 40% depending on various factors and circumstances. The 35% attained is within the National Norm. This is a reduction of 3% from 2014/15 (38%). Caution should however be placed on analyzing this ratio, although the ratio decreased the expenditure on employee related cost did increase by R15.9m, however the total operating expenditure increased by a much higher margin thus reducing the overall ratio. To put our personnel expenses in context, we must look at the per capita personnel costs. Theewaterskloof's ratio indicates one official per 177 people or one official servicing 42 households. The municipality's productivity levels are therefore higher than many other municipalities in the country when comparing the ratio of staff members to total population and the number of households.

The municipality realizes the importance of expenditure on maintenance to ensure that assets are used optimally throughout their operational life. The municipality has made a conscious decision to increase its expenditure on repairs and maintenance gradually over the next few financial years. Optimally the municipality would eventually want to meet the national norm for expenditure on repairs and maintenance currently at 10%.

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Repairs and Maintenance has shown positive movement from 4.84% in 2013/14 to 6% in 2014/15 illustrating the municipality's willingness to achieve the national benchmark. Repairs and maintenance has however decreased by 1% point in 2015/16.

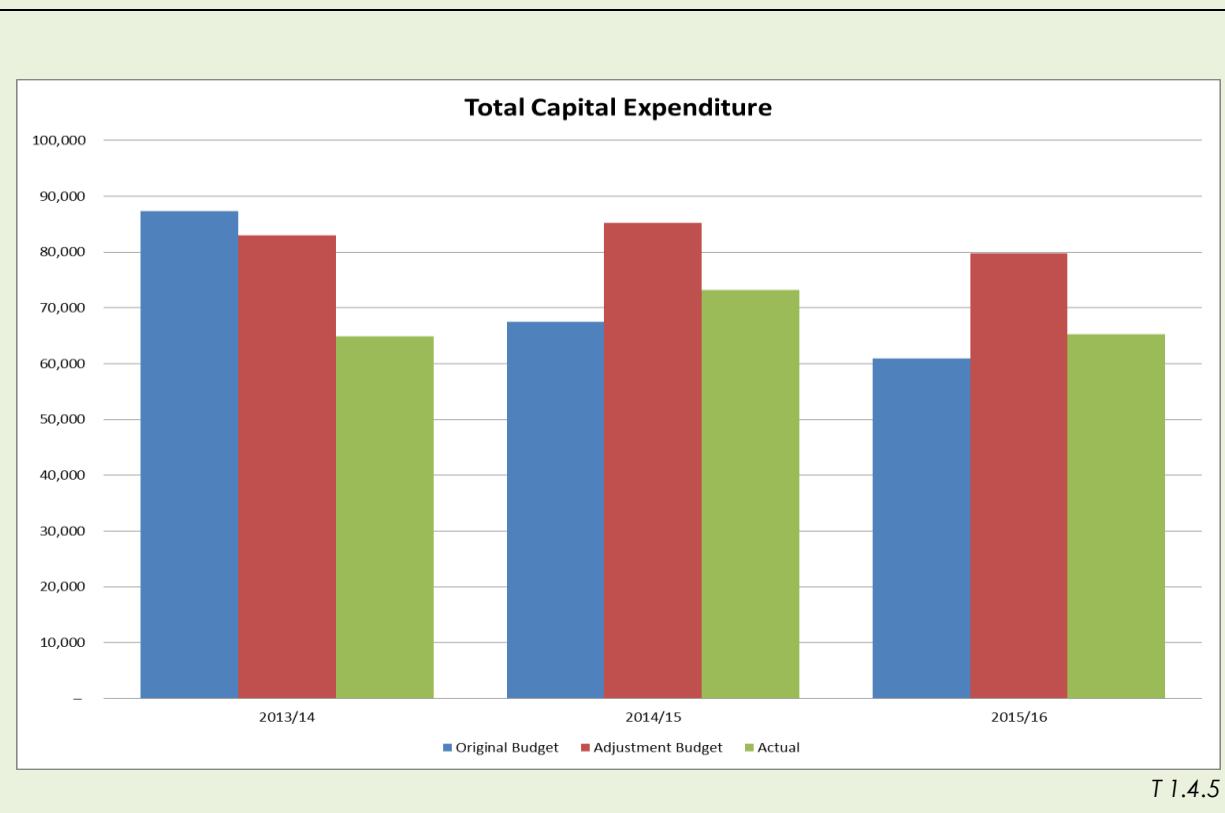
It is important that this ratio is gradually increased taking into consideration maintenance plans, the state of infrastructure as well as affordability of the municipal bill. It is also important to note that the municipality's current expenditure vote structure does not accurately reflect the true cost of repairs and maintenance e.g. salaries of road maintenance teams are not included in repairs and maintenance. This will be addressed with the implementation of mSCOA. The municipality believes that the realignment of cost against the correct categories will show that the municipality are much closer (if not exceeding) to the national norm rather than the 5% as is currently indicated by this ratio.

In 2012 a decision was taken that no further loans will be taken up. The ratio finance charges and depreciation as a percentage of operating expenditure increased from 7% in 2014/15 to 9% in 2015/16 which is above the national norm of 8%. Depreciation and Amortisation increased by R13.7m from 2014/15 to 2015/16 as a result of depreciation on landfill sites.

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## 1.4.4 TOTAL CAPITAL EXPENDITURE 2013-2016

Total Capital Expenditure: 2013 to 2015		R'000		
Detail		2013/14	2014/15	2015/16
Original Budget		87,304	67,547	60,973
Adjustment Budget		82,951	85,177	79,791
Actual		64,898	73,127	65,231
				T1.4.4



# Chapter 1

## CAPITAL EXPENDITURE:

In 2015/16 Theewaterskloof municipality approved a capital budget of R60,937m which was adjusted to R79,791m.

The following additional projects were provided for in the adjustments budgets:

- Caledon Cemetery - R 400,983 (Roll over loan funding from 2014/2015)
- Grabouw Cemetery - R379,387 (Roll over loan funding from 2014/2015)
- Tesselaarsdal Stormwater - R 946,000 (Roll over Municipal Disaster Recovery funding)
- Repair and Replace Water pre-paid meters from R 500,000 to R 1,833,490 (Roll over loan funding unspent 2014/2015)
- New Cable between Aandblom & Veldblomtuin sub-stations from R3,000,000 to R 3,157,970 (Roll over loan funding unspent 2014/2015)
- Upgrade of Fleet from R 2,000,000 to R 2,904,386 (Roll over capital replacement reserve funding unspent 2014/2015)
- Fleet – R3 000 000
- Greyton Drop off – R1 000 000
- Greyton Road, Park Street - R1 000 000
- Grabouw waste water treatment plant – R2 000 000
- Sport facility – Dennekruin – R1 700 000
- Water meters – R2 250 000
- Villiersdorp Sports Facility – R700 000
- New Steenbras reservoir – R1 017 406
- Villiersdorp Sport Facility Ablution – R942 058

The actual capital expenditure for the year 2015/16 amounted to R65, 231m, effectively translating into an 82% capital budget spent. The underspending was largely due to delays experienced with the following projects:

Housing: R4.1million

Steenbras Reservoir: R1m

Caledon and Grabouw Cemeteries: R780 000

Grabouw Sports facilities: R800 000

T 1.4.5.1

# Chapter 1

## 1.5. ORGANISATIONAL DEVELOPMENT OVERVIEW

### 1.5.1 ORGANISATIONAL DEVELOPMENT PERFORMANCE

The objective of Organisation Development is to improve the municipality's capacity in order to give effect to its service delivery mandate. This includes improved more effective communication, more effective decision making processes, more appropriate leadership style, improved skill in dealing with conflict, and higher levels of trust and cooperation among staff members. The workplace skills plan of the municipality has as its main aim the achievement of cost effective and efficient service delivery as well as:

- i. Providing learning opportunities for staff as well as members of the community through our learnership programmes
- ii. Providing opportunities for each staff member to develop to his / her full potential.
- iii. Seeking to increase the effectiveness of the municipality in terms of all of its strategies, objectives and goals.
- iv. Providing opportunities for staff to influence the way in which they relate to work, the municipality, and the environment.

## 1.6. AUDITOR GENERAL REPORT

### 1.6.1 REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT AND THE COUNCIL OF THE THEEWATERSKLOOF MUNICIPALITY

#### REPORT ON THE FINANCIAL STATEMENTS

##### INTRODUCTION

1. I have audited the financial statements of the Theewaterskloof Municipality set out on pages 3 to 90, which comprise the statement of financial position as at 30 June 2016, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

##### ACCOUNTING OFFICER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

# Chapter 1

## AUDITOR-GENERAL'S RESPONSIBILITY

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting Estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## OPINION

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Theewaterskloof Municipality as at 30 June 2016 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA.

## EMPHASIS OF MATTERS

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

## RESTATEMENT OF CORRESPONDING FIGURES

8. As disclosed in note 39 to the financial statements, the corresponding figures for 30 June 2016 have been restated as a result of errors discovered during 2015-16 in the financial statements of the municipality at, and for the year ended, 30 June 2015.

## MATERIAL IMPAIRMENTS

9. As disclosed in notes 21 and 22 to the financial statements, receivables were significantly impaired. The impairment allowance amounted to R139,7 million (2014-15: R118,0 million), of which R91,5 million (2014-15: R76,8 million) related to services debtors.
10. As disclosed in note 13 to the financial statements, property, plant and equipment with a carrying value of R5,8 million was written off. This largely related to a building impaired as a result of a fire.

## ADDITIONAL MATTERS

11. I draw attention to the matters below. My opinion is not modified in respect of these matters.

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## UNAUDITED SUPPLEMENTARY SCHEDULES

12. The supplementary information set out on pages 91 to 99 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

## UNAUDITED DISCLOSURE NOTES

13. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENT

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected key performance areas presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading, but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

## PREDETERMINED OBJECTIVES

15. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected key performance areas presented in the annual performance report of the municipality for the year ended 30 June 2016:

- Key performance area: financial viability on pages 52 to 56 and 79
- Key performance area: basic service delivery on pages 61 to 78

16. I evaluated the usefulness of the reported performance information to determine whether it was consistent with the planned key performance areas. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for Managing Programme Performance Information.

17. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.

18. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following key performance areas:

- Financial viability
- Basic service delivery

## ADDITIONAL MATTERS

19. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected key performance areas, I draw attention to the following matters:

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## ACHIEVEMENT OF PLANNED TARGETS

20. Refer to the annual performance report on pages 52 to 56 and 61 to 79 for information on the achievement of the planned targets for the year.

## UNAUDITED SUPPLEMENTARY INFORMATION

21. The supplementary information set out on pages 46 to 49 and 81 to 154 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not express a conclusion thereon.

## COMPLIANCE WITH LEGISLATION

22. I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

## INTERNAL CONTROL

23. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. I did not identify any significant deficiencies in internal control.

*Auditor – General*

**Century City**

**30 November 2016**



# Chapter 1

## 1.7. STATUTORY ANNUAL REPORT PROCESS

PROCESS	DATE
<b>AR &amp; FS to AG</b> <ul style="list-style-type: none"><li>Submit 2015/2016 Draft Annual Report and Financial statements to Auditor General</li><li>Compile and submit Municipal Audit file to the Auditor General</li></ul>	29 August 2016
<b>Table Draft AR &amp; AFS</b> Mayor tables draft AR and AFS at council	24 January 2017
<b>Advertise draft AR &amp; AFS for public input</b>	25 January 2017 – 22 February 2017
<b>Advertise Oversight Committee Schedule inviting the Public to make presentations of the AR and AFS</b>	25 January 2017
<b>1<sup>st</sup> Oversight Committee Meeting:</b> Oversight Committee pose questions to Management to get clarity on the contents of the Annual Financial statements and the Annual Report (10h00)	07 February 2017
<b>Portfolio Committee Meeting:</b> Submit Draft AR to Portfolio Committees for inputs	01;02;&13 February 2017
<b>2<sup>nd</sup> Oversight Committee Meeting:</b> Public hearings -The local community and any organ of state will be allowed to make representations on the annual report and AFS (10h00)	02 March 2017
<b>3<sup>rd</sup> Oversight Committee Meeting:</b> Preparation of the draft oversight report, taking into consideration the views and inputs of the public, representatives of the Auditor General, organ of states, Councils audit committee and Councillors (14h00)	09 March 2017
<b>Oversight &amp; Annual Report: Adoption of Oversight report on AR &amp; AFS by council</b>	23 March 2017
<b>Advertise approved Annual report- Place on Municipal Website</b>	23 March 2017
<b>Submission of Oversight &amp; Annual Report to Provincial Treasury and Office of the Premier</b>	23 March 2017

# Chapter 2

## CHAPTER 2 – GOVERNANCE

### INTRODUCTION TO GOVERNANCE

Good governance has 8 major characteristics namely:-

- participatory,
- consensus oriented,
- accountable,
- transparent,
- responsive,
- effective and efficient,
- equitable, and
- inclusive which follows the rule of law.

Through this corruption is minimized, the views of minorities are taken into account and the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society.

### COMPONENT A: POLITICAL AND ADMINISTRATIVE GOVERNANCE

The Constitution section 151 (3) states that the council of a municipality has the right to govern on its own initiative, the local government affairs of the local community.

#### 2.1 POLITICAL GOVERNANCE

MFMA section 52 (a): The Mayor must provide general political guidance over the fiscal and financial affairs of the municipality.

The council performs both legislative and executive functions, with focus on legislative, oversight and participatory roles, and has delegated its executive function to the Executive Mayor and the Mayoral Committee. Council's primary role is to debate issues publicly and also to facilitate political debate and discussion. Apart from their functions as decision makers, councilors are also actively involved in community work as well as various social programmes in the municipal area.

The political Governance structure with respect to key committees is fairly well established and functional. These committees include:

- The Executive Mayoral Committee
- The Portfolio committees
- The Audit and Performance Audit Committee
- Risk Committee
- IDP/Budget Steering Committee
- Municipal Public Accounts Committee

Theewaterskloof Municipality acknowledges that it is committed to the development of a culture of municipal governance that complements formal representative government with a system of participatory governance.

The municipality has a legal obligation to establish appropriate mechanisms, processes and procedures to enable the local community to participate in its affairs. Therefore Council adopted its Policy framework for

# Chapter 2

Participation on 25 June 2014. The purpose of the document is to provide for mechanisms by which the public may participate in the affairs of the Municipality and to clarify roles and responsibilities of all the role players and interested parties

## 2.1.1 POLITICAL STRUCTURE

The Council has 25 seats (13 Ward Councillors and 12 Proportional Representative (PR) Councillors. The Speaker, Councillor D Du Toit is the Chairperson of the Council. The Party Political and demographic representation of Councillors is reflected in the table below:

POLITICAL PARTY	ALLOCATION OF SEATS	GENDER	
		MALE	FEMALE
DA	12	8	4
ANC	10	6	4
COPE	1	1	0
NNP	1	1	0
NICO	1	1	0

## EXECUTIVE MAYORAL COMMITTEE AND MEMBERS

Theewaterskloof Municipality is governed in terms of an Executive Mayoral Committee system. The Executive Mayor, Alderman C Punt, governs together with Deputy Executive Mayor, Councillor M Tshaka and a team of five Portfolio committee Chairperson.



**ALDERMAN CB PUNT**  
Executive Mayor



**M TSHAKA**  
DEPUTY MAYOR



**ALDERMAN D DU TOIT**  
SPEAKER

We have 5 Portfolio Committees which is chaired by the following Executive Mayoral Committee Members:



**ALDERMAN GME CARELSE**  
CHAIRPERSON: CORPORATE SERVICES



**ALDERMAN PU STANFLET**  
CHAIRPERSON: OPERATIONS



**CLLR M KOEGELENBERG**  
CHAIRPERSON: FINANCE

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**Cllr KJ PAPIER**  
CHAIRPERSON: DEVELOPMENT SERVICES



**Cllr M TSHAKA**  
CHAIRPERSON TECHNICAL SERVICES

<b>EXECUTIVE MAYOR:</b> <b>Alderman: C.B. Punt</b>	<b>Function</b> <ul style="list-style-type: none"> <li>• Is the Executive and Political Leader of the Municipality</li> <li>• Is the Social and Ceremonial Head of Council</li> <li>• Is the Chief Advisor of Council</li> <li>• Responsible for identifying the needs of the Municipality</li> <li>• Must monitor the Administrator</li> <li>• Supervises the delivery of services</li> <li>• Report to Council</li> <li>• Budgetary responsibilities</li> </ul>
<b>DEPUTY MAYOR:</b> <b>Cllr: M Tshaka</b>	The Deputy Mayor acts in the absence of the Executive Mayor
<b>SPEAKER:</b> <b>Alderman: D Du Toit</b>	Is the chairperson of the Municipal Council and as such is authorized to dictate the proceedings during council meetings, though subject to the order rules, common law and constitutional prescripts. The Speaker is accountable to and reports to the Municipal Council. The Speaker must also ensure compliance with the Code of Conduct.
<b>WHIP:</b> <b>M Koegelenberg (DA)</b> <b>C November (ANC)</b>	Leads the Caucus meetings before Council meetings.
<b>MAYORAL COMMITTEE:</b> <b>Cllr M Tshaka</b> <b>Cllr G Carelse</b> <b>Cllr M Koegelenberg</b> <b>Cllr P Stanflet</b> <b>Cllr K Papier</b>	Portfolio Chair: Technical Services Portfolio Chair: Corporate Services Portfolio Chair: Financial Services Portfolio Chair: Operations Services Portfolio Chair: Development Services  The Mayoral Committee assist the Executive Mayor, serve him/her with advice and take decisions with the Executive Mayor in respect of designated powers.

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## 2.1.2 COUNCILLOR PROFILE

The Council consists of a total number of 25 Councillors, of which 13 is Ward Councillors and 12 Proportional Councillors.

**Councillors, Committees Allocated and Council Attendance**

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non-attendance
	FT/PT			%	%
Alderman C B Punt	Fulltime	Executive Mayor	DA	95%	5%
Alderman D Du Toit	Fulltime	Speaker	DA	100%	0%
Councillor P U Stanfliet	Fulltime	Operations	Ward 7 DA	95%	5%
Councillor M Tshaka	Fulltime	Technical Services	Ward 13 DA	75%	25%
Councillor K Papier	Fulltime	Development Services	Ward 3 DA	100%	0%
Councillor G Carelse	Fulltime	Corporate Services	COPE	95%	5%
Councillor M Koegelenberg	Fulltime	Financial Services	Ward 4 DA	90%	10%
Councillor N Pieterse	Part Time	Corporate Services	Ward 9 DA	90%	10%
Councillor M Nongxaza	Part Time	Corporate Services	NICO	95%	5%
Councillor J Nellie	Part Time	Corporate Services	Ward 6 ANC	70%	30%
Councillor F Mankayi	Part Time	Corporate Services	ANC	75%	25%
Councillor N Lamprecht	Part Time	Financial Services	Ward 5 DA	95%	5%
Councillor J Michels	Part Time	Financial Services	Ward 11 ANC	30%	70%
Councillor M Appel	Part Time	Financial Services	ANC	100%	0%
Councillor J Hendricks	Part Time	Financial Services	ANC	95%	5%
Councillor M Plato-Mentoor	Part Time	Development Services	Ward 10 DA	90%	10%
Councillor I Sileku	Part Time	Development Services	DA	100%	0%
Councillor P de Wet	Part Time	Development Services	ANC	75%	25%
Councillor U Sipunzi	Part Time	Development Services	Ward 12 ANC	75%	25%
Councillor K Tiemie	Part Time	Technical Services	Ward 1 DA	95%	5%
Alderman C November	Part Time	Technical Service	ANC	95%	5%
Councillor C Thembani	Part Tim	Technical Service	Ward 8 ANC	75%	25%
Councillor H Gouws	Part Time	Operations	NNP	100%	0%
Councillor M Hector	Part Time	Operations	Ward 2 DA	100%	0%
Councillor A Cupido	Part Time	Operations	ANC	100%	0%

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## 2.1.3 POLITICAL DECISION-TAKING

Meetings held during 2015/16 Financial Year are as follows:

ORDINARY COUNCIL MEETINGS	SPECIAL COUNCIL MEETINGS	COMMITTEE MEETINGS	
12	8	Development Services	10
		Corporate Services	5
		Technical Services	6
		Operations	7
		Financial Services	11
		<b>Total Committee Meetings</b>	<b>39</b>

## 2.2 ADMINISTRATIVE GOVERNANCE

### 2.2.1 INTRODUCTION TO ADMINISTRATIVE GOVERNANCE

MFMA section 60 (b): The Municipal Manager of a municipality is the accounting officer of the municipality for the purposes of this Act and must provide guidance on compliance with this Act to political structures; political office bearers, and officials of the municipality and any entity under the sole or shared control of the municipality.

The Municipal Manager is the head of the administration, and primarily has to serve as chief custodian of service delivery and implementation of political priorities. He is assisted by his direct reports, which constitutes the Management Team.

A key priority of the Management Team has been to establish a solid leadership core within the organisation which permeates through to middle and supervisory management levels. The Management Team Structure is outlined in the table below:

Name of Official	Department	Performance agreement signed
		(Yes/No)
Horace Wallace	Municipal Manager	Yes
Joseph Isaacs	Director Corporate Services	Yes
Davy Louw	Director Financial Services	Yes
Monwabisi Gxoyiya	Director Development Services	Yes
Jan Barnard	Director Operations	Yes
Conrad van Heerden	Director Technical Services	Yes

# Chapter 2

## COMPONENT B: INTERGOVERNMENTAL RELATIONS

MSA section 3 requires that municipalities exercise their executive and legislative authority within the constitutional system of co-operative governance envisaged in the Constitution section 41.

### 2.3 INTERGOVERNMENTAL RELATIONS

Intergovernmental structures give effect and concrete expression to inter departmental communication. The municipality participates with the following structures that deal with transversal matters:

	IGR STRUCTURE	TYPE OF PARTICIPATION AND BENEFITS DERIVED
NATIONAL	Local Government ICT (LGICT) Network (Please note that this is mainly an "open online forum", although there are special meetings, workshops and events being scheduled across the country)	The LGICT Network is a service hosted by SALGA that provides: <ul style="list-style-type: none"><li>• a real-time platform for information exchange, networking and collaboration for ICT Managers in local government.</li><li>• a platform where ICT Managers in local government rate service providers and report about service, satisfaction and quality in order to separate the "husks from the grain".</li></ul>
PROVINCIAL	IDP Managers Forum	Reflect on IDP Indaba processes Reflect on the impact of the IDP Analysis process; Discuss processes and methodologies that should guide the annual IDP review; Serve as a platform where key planning information is shared, good planning practices and successfully implemented programmes are celebrated, and where gaps are identified.
	Records Managers Forum	Discuss processes and methodologies that should guide the records management in Theewaterskloof Municipality in terms of the National Archives Act; Serve as a platform where key planning information is shared, good planning practices and successfully implemented programmes are celebrated, and where gaps are identified in the records management processes. Discuss problems identified in municipalities in respect of records management and received inputs from other municipalities or governmental bodies how to address these problems.
	SALGA Provincial HR Development Working Group	<ul style="list-style-type: none"><li>• A platform for Councilors within the Province to give input into collective bargaining as well as policy issues.</li><li>• This forum also receives feedback from National and Provincial Bargaining Forums.</li><li>• It is also a platform for information sharing and to discuss issues of mutual interest;</li></ul>
	HR Practitioners Forum	<ul style="list-style-type: none"><li>• A forum used to draft policy, give input into various topics such as legislation, agreements etc.</li><li>• This forum also serves as a platform for HR managers to network and share best practice</li><li>• Receive feedback from SALGA in respect of negotiations etc.</li></ul>
	Chief Audit Executive Forum	Discuss methodologies, standards, challenges and serves as an information sharing platform.
	Western Cape Local Government ICT Managers Forum	<ul style="list-style-type: none"><li>• To create a platform for ICT Managers to discuss ICT-specific issues</li><li>• To create a space for information sharing, knowledge exchange and inter-provincial cross pollination</li><li>• To manage, co-ordinate and support the implementation of ICT initiatives, ICT-related activities in order to strengthen support and avoid duplication</li><li>• To obtain inputs and comments on national- and provincial processes and initiatives that have an impact on ICT's, and</li><li>• To achieve standardization for benchmarking and reporting purposes on critical activities.</li></ul>

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DISTRICT INTERGOVERNMENTAL STRUCTURES		
DISTRICT INTERGOVERNMENTAL STRUCTURES	<b>District IDP Managers Forum</b>	<ul style="list-style-type: none"> <li>• A platform for IDP Managers in the Overberg District to discuss IDP-specific matters;</li> <li>• A platform for information sharing, knowledge exchange and inter-District cross pollination;</li> <li>• co-ordinate the implementation of IDP initiatives and activities;</li> <li>• standardization of IDPs in the District; and</li> <li>• To identify areas of co-operation in terms of common challenges and development issues amongst the Local Municipalities in the District, and between the Local Municipalities and the District Municipality</li> </ul>
	<b>IDP Rep/PPCOM Forum</b>	<ul style="list-style-type: none"> <li>• A platform for IDP Managers, Public Participation officials, Municipal Communicators and Sector Department officials</li> <li>• Share experiences</li> <li>• Joint Planning</li> </ul>
	<b>Overberg ICT (OICT) Managers Forum</b>	<ul style="list-style-type: none"> <li>• A platform for ICT Managers in the Overberg District to discuss ICT-specific matters;</li> <li>• A platform for information sharing, knowledge exchange and inter-District cross pollination;</li> <li>• standardization of ICT infrastructure in the district; and</li> <li>• To identify areas of shared-services</li> </ul>
	District IDP Managers Forum	<ul style="list-style-type: none"> <li>• A platform for IDP Managers in the Overberg District to discuss IDP-specific matters;</li> <li>• A platform for information sharing, knowledge exchange and inter-District cross pollination;</li> <li>• co-ordinate the implementation of IDP initiatives and activities;</li> <li>• standardization of IDPs in the District; and</li> <li>• To identify areas of co-operation in terms of common challenges and development issues amongst the Local Municipalities in the District, and between the Local Municipalities and the District Municipality</li> </ul>
	IDP Rep/PPCOM Forum	<ul style="list-style-type: none"> <li>• A platform for IDP Managers, Public Participation officials, Municipal Communicators and Sector Department officials</li> <li>• Share experiences</li> <li>• Joint Planning</li> </ul>
	Overberg ICT (OICT) Managers Forum	<ul style="list-style-type: none"> <li>• A platform for ICT Managers in the Overberg District to discuss ICT-specific matters;</li> <li>• A platform for information sharing, knowledge exchange and inter-District cross pollination;</li> <li>• standardization of ICT infrastructure in the district; and</li> <li>• To identify areas of shared-services</li> </ul>

# Chapter 2

## COMPONENT C: PUBLIC ACCOUNTABILITY AND PARTICIPATION

MSA section 17 (2): requires a municipality to establish and organise its administration to facilitate a culture of accountability amongst its staff. Section 16 (1): states that a municipality must develop a system of municipal governance that complements formal representative governance with a system of participatory governance. Section 18 (a) - (d): requires a municipality to supply its community with information concerning municipal governance, management and development

Theewaterskloof Municipality is committed to the following principles:

- Inclusivity
- Diversity
- Building community participation
- Transparency
- Integration
- Flexibility
- Accessibility
- Accountability

Council established ward committees as the official liaison mechanism on all matters within the community.

Ward Councillors together with their ward committee members report back to their constituencies on a quarterly basis. In addition, a Policy framework for Public Participation was developed. The Service Delivery Budget Implementation Plan (SDBIP) is made public and published on the municipal website. This contains projected financial and service delivery indicators and deliverables. Members of the public are also invited to participate in the oversight process related to the Annual report. In the promotion of public accountability and participation, members of the public are invited to attend all meetings of the Council and its committees.

Another mechanism of Public participation is conducted through Budget and IDP public meetings. These meetings were held prior to developing the draft budget in order to identify the needs of the community in order to provide input for the new financial year. A second round of public meetings is normally held once the draft budget is developed in order to inform the public of key elements in the proposed budget.

The purpose of the Ward Committee structure is to assist Ward Councilors with organizing, consulting, spreading of information to encourage participation from the residents within the Wards.

The Ward Committee:

- is an advisory Body.
- is a representative structure.
- is independent; and
- must be impartial and perform its functions without fear, favor or prejudice.

There are 13 Wards within the Theewaterskloof Municipal area.

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## 2.4 PUBLIC MEETINGS

Theewaterskloof Municipality engagements in different methodologies to ensure adequate public participation, which include:

- Tradition public meetings with wards committees, Town advisory forums, Service level agreement advisory forum (SLAAF), stakeholder groupings etc.
- Surveys (baseline assessments)
- Monthly news letters

Such participation is required in terms of:

- The preparation, implementation and review of the IDP and budget;
- Establishment, implementation and review of the performance management system;
- Monitoring and reviewing of the performance which include the outcome and impact of such performance; and
- Setting of service level standards
- Information sharing which relates to capital projects implementation

Theewaterskloof Municipality utilises its ward committees and Town Advisory forums as the primary consultative structure and access points to ensure public participation and accountability.

Furthermore a Public Participation Plan has been approved by council during August 2015. The plan includes dates of the Following meetings which require public participation:

- Councillor Report back meetings
- Council meetings
- IDP Public Meetings
- Budget Public Meetings
- Service Level Agreement Advisory Forum Meetings
- Annual Report publications

### 2.4.1 WARD COMMITTEES

The Ward Committee system is the official public participation structure of Theewaterskloof Municipality. The different Ward committees meet bi-monthly. The current status of the Ward committees is that they are not fully functional as we still experience the communication gap between the ward committees and the constituencies that they represent.

On 21 June 2015, we held our final Ward committee summit to evaluate the status of the current Ward committee system. Several recommendations were made to cover the gaps which currently exist. Some of the recommendations include the following:

- Youth should be accommodated on all Ward Committees
- Relationship should be built with all stakeholders even when they're not accommodated on the ward committees
- Communication between Ward Councillors, Ward Committee members and the community should be improved
- Ward Committees should be more visible in their wards

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- Social media should be explored more
- Theewaterskloof Municipality should provide more training to ward committees

On 7 September 2016, the Overberg District Ward Committee Summit was held in the Theewaterskloof area where the outcomes of the Local Summit were presented. This Summit was very well attended by Ward committee members, Ward Councillors and officials from the Local Municipality, District Municipality and Provincial office.

## 2.4.2 FUNCTIONALITY OF WARD COMMITTEES

The primary function of a ward committee is:

- To assist the ward councilor in understanding the needs and the views of the community;
- To be a formal communication channel between the community and the municipal council;
- To raise issues of concern about the local ward to the ward councilor and;
- To make sure ward residents have a say in decisions, planning and projects that the council or municipality undertakes which have an impact on the ward.

A ward committee should consist of up to ten members who serve as volunteers and may represent a certain sector. Examples of such sectors are:

- women's groups or;
- ratepayers associations;
- geographic areas
- Community within the ward.

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	<b>Councillor K Tiemie</b>	Yes	<b>5 Meetings</b>		<b>1 Meeting</b>
	C Botha				
	M Kroukamp				
	V Fisher				
	A Mouton				
	J Sebonka				
Ward 2	<b>Councillor M Hector</b>	Yes	<b>4 Meetings</b>		<b>0</b>
	C Smith				
	J Coert				
	A Magerman				
	C Windvogel				
	C Myburgh				
	J Kroukamp				
	C Barthus				
Ward 3	<b>Councillor K Papier</b>	Yes	<b>4 Meetings</b>		<b>1 Meeting</b>
	C van Wyk				
	K Hoffman				
	A de Bruin				
	N Jende				
	S Swarts				
	M Pietersen				

# Chapter 2

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 4	<b>Councillor M Koegelenberg</b>	Yes	<b>4 Meetings</b>		<b>1 Meeting</b>
	G Visser				
	J de Witt				
	J Norval				
	V Watton				
	M Wessels				
	S Young				
Ward 5	<b>Councillor C Lamprecht</b>	Yes	<b>4 Meetings</b>		<b>1 Meeting</b>
	C Young				
	D Fyfer				
	H Schoeman				
	C Nel				
	N Japhta				
	J Jansen				
Ward 6	<b>Councillor J Nellie</b>	Yes	<b>4 Meetings</b>		<b>1 Meeting</b>
	S Ntantiso				
	J Jantjies				
	H Schoeman				
	J Lakey				
	V Hendricks				
	R Brinkhuys				
Ward 7	<b>Councillor P Stanflet</b>	Yes	<b>4 Meetings</b>		<b>1 Meeting</b>
	J Swanepoel				
	I Andries				
	G Visagie				
	N Greeff				
	R Jacobs				
	N Kaptein				
Ward 8	<b>Councillor C Thembanzi</b>	Yes	<b>5 Meeting</b>		<b>1 Meeting</b>
	M Jiba				
	E Gertze				
	M Mosolo				
	T Tsetse				
	P Louw				
	T Kanetsi				

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Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 9	Councillor N Pietese	Yes	4 Meetings		1 Meeting
	D Jooste				
	J Gerbers				
	I Kortjé				
	G Julies				
	J Titus				
	M Koelman				
	N Fortuin				
	N Goniwe				
	L Jacobs				
Ward 10	H Schoeman				
	Councillor M Plato-Mentoor	Yes	5 Meetings		1 Meeting
	J Rawboue-Viljoen				
	R Damons				
	W Williams				
	R Fisher				
	J de Bruin				
Ward 11	R Mathews	Yes			
	C Januarie				
	Councillor J Michels		5 Meetings		1 Meeting
	R Johnson				
	J Fortuin				
	Q Bosman				
Ward 12	A Theron	Yes			
	P Kwaza				
	Councillor U Sipunzi		5 Meetings		1 Meeting
	M Wani				
	A Inyabor				
	C Absalom				
	L Madizeni				
	S Daniëls				
	A Hoorn				
Ward 13	W Nomxhanya	Yes			
	M Mabentisela				
	H Syster				
	Councillor M Tshaka		5 Meetings		1 Meeting
	L Vosloo				
	A Kortjé				
	S Baba				
	M le Roux				

# Chapter 2

## 2.4.3 PUBLIC MEETINGS

Public Meetings				
Nature and purpose of meeting	Date of events	Number of Participating Municipal Councillors	Number of Participating Municipal Administrators	Dates and manner of feedback given to community
<b>Ward Councillor Report back meeting</b>	27 Jul - 6 Aug 2015	13 Ward Councillors	2 Officials	Quarterly report back to community
<b>IDP / Budget Public meetings</b>	5 Oct - 22 Oct	25 Councillors	7 Approximately	To get input from the community regarding the 3rd generation IDP review
<b>Ward Councillor Report back meeting</b>	7 - 17 March 2016	13 Ward Councillors	2 Officials	Quarterly report back to community
<b>Budget Public Meeting</b>	5 - 21 April 2016	25 Councillors	7 Approximately	To present the draft IDP/ Budget to the community

### 2.4.3.1 COMMENT ON THE EFFECTIVENESS ON THE PUBLIC MEETINGS HELD

Public meetings are important for both the municipality and the community as this give the community insight on the Municipal processes; projects and in return gives the Municipality on the issues of the community. It is imperative to keep the communication lines open and it is important for community members and Stakeholders to attend meetings which is scheduled by Municipalities

## 2.5 IDP PARTICIPATION AND ALIGNMENT

IDP Participation and Alignment Criteria*	Yes/No
Does the municipality have impact, outcome, input, output indicators?	Yes
Does the IDP have priorities, objectives, KPIs, development strategies?	Yes
Does the IDP have multi-year targets?	Yes
Are the above aligned and can they calculate into a score?	Yes
Does the budget align directly to the KPIs in the strategic plan?	Yes
Do the IDP KPIs align to the Section 57 Managers	Yes
Do the IDP KPIs lead to functional area KPIs as per the SDBIP?	Yes
Do the IDP KPIs align with the provincial KPIs on the 12 Outcomes	Yes
Were the indicators communicated to the public?	Yes
Were the four quarter aligned reports submitted within stipulated time frames?	Yes
* <b>Section 26 Municipal Systems Act 2000</b>	T 2.5.1

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## COMPONENT D: CORPORATE GOVERNANCE

Corporate governance is the set of processes, practices, policies, laws and stakeholders affecting the way an institution is directed, administered or controlled. Corporate governance also includes the relationships among the many stakeholders involved and the goals for which the institution is governed.

### 2.6 RISK MANAGEMENT

The direction and mandate of risk management for Theewaterskloof Municipality is clearly set out in Section 62(1) of the Local Government: Municipal Finance Management Act, 2003 (Act 56 of 2003) that stipulates that the "Accounting Officer must take all reasonable steps to ensure that the municipality has and maintains an effective, efficient and transparent system of financial and risk management and internal control" accompanied by the crucial motto of the public sector: "that the resources of the municipality are used effectively, efficiently and economically".

The risk management function came into ideal development in 2015-2016 with the appointment of the Chief Risk Officer (CRO) on a Shared Service Business Model between the municipalities within the district which ultimately meant getting the same service under a shared cost model. This appointment brought about substantial cost-saving initiatives as it meant that in-house skills and resources were available which in turn resulted in a significant reduction on the reliance of external service providers for their specialised contributions to the establishment or maintenance of the risk management structures and processes.

The cost-saving initiatives and actions performed by CRO during 2015-2016 include:

- An annual risk assessment conducted and facilitated by the CRO per Directorate
- Periodic assessments with monthly monitoring on status of risk register as well as quarterly reporting and recommendations to various statutory committees.
- Annual Review of Risk Management Strategy and Policy
- Compilation and monitoring of a district risk implementation plan
- Continuous aim of building a sufficient municipal risk profile to constantly improve risk maturity
- Streamlining risk related documents and processes with National Treasury's Public Sector Risk Management Framework, King Code of governance for South Africa, Committee of Sponsoring Organisations of the Treadway Commission (COSO), International Organisation for Standardization (ISO 31000) etc.
- Adding value of "best practice" developments to Fraud and Risk Management Committee (FARMCO) and compilation of Committee's Terms of Reference and Key Performance Indicators (KPI's)
- Encouraged the significant application of risk management to the implementation of mSCOA
- Professional membership and daily updates from Institute of Risk Management South Africa
- Regular communication between Provincial Treasury (Corporate Governance) on matters
- Procurement (and recommendations made for improvement) of software being utilised (IGNITE Risk Module)
- Introducing risk universe and risk maturity initiatives through comparison reporting and benchmarking
- Exploiting opportunities and strategies through identification of Emerging and Incident Risks
- Comprehensive training of risk champions and risk action owners in April 2016
- Progressive application of compliance related documents and processes
- Participation in the District Risk and Internal Audit Forum

# Chapter 2

- Exploring opportunities through meaningful integration of the functions of Ethics, Fraud and Anti-Corruption, Occupational Health and Safety, Insurance, Long term Planning, Business continuity and Disaster Management into the risk management objectives and processes.

## Strategic, Incident and Emerging Risks for the 2015-2016:

Risk Level	Risk Description	Current Controls	Residual Risk	Financial Year
Strategic	Influx of Unemployed, unskilled and Homeless people	Squatter control officers Law enforcement patrols	High	2015-2016
Strategic	Slow or No Recovery of Potential Revenue	Data Cleansing Project, Credit control and Debt Collection unit	High	2015-2016
Strategic	Excessive Expectations in relation to Institutional capacity	Public Participation Indaba Expectation Management (SLA with communities) CAPEX /MTREF Procurement Plan	High	2015-2016
Strategic	Backlog in Infrastructure	Agenda item submitted to council for consideration (Risk Management Agenda item)	Medium	2015-2016
Strategic	Implementation of mSCOA	Guidelines from National Treasury Regular circulars from National and Provincial departments with regards to rising concerns	High	2015-2016
Strategic	Bulk water provision	Technical Drought Plan General communication Printed media and radio Notifications (Possible Water restrictions )	High	2015-2016
Strategic	Job creation via LED initiatives	Skills building programs SMME indabas Facilitation of programs initiated/implemented by Provincial and National departments	Medium	2015-2016
Strategic	Transfer of land from public works to the municipality	Regular communication and meetings	High	2015-2016
Incident Risk	Unlawful land invasion	Squatter control policy Land invasion unit	High	2015-2016
Emerging Risk	Fluctuation in rand/dollar exchange rate	Inherent / Moderate controls in place	High	2015-2016

## 2.7 ANTI-CORRUPTION AND FRAUD

Section 83(c) of the MSA refers to the implementation of effective bidding structures to minimize the possibility of fraud and corruption and the MFMA, section 112(1) (m)(i) identify supply chain measures to be enforced to combat fraud and corruption, favoritism as well as unfair and irregular practices. Section 115(1) of the MFMA states that the accounting officer must take steps to ensure mechanisms and separation of duties in a supply chain management system to minimize the likelihood of corruption and fraud.

Theewaterskloof Municipalities **Anti-Corruption Policy** was adopted by council in **November 2008** and reviewed on **19 March 2015**.

# Chapter 2

One of the main purposes of an Anti-Corruption policy is to ensure that the Municipality is in compliance with the Municipal Systems Act, Act No. 32 of 2000 which requires the Municipality, amongst other things to develop and adopt appropriate systems and procedures that contribute to effective and efficient management of the municipality and its resources.

## 2.8 AUDIT COMMITTEE

Section 166(2) of the MFMA states that an audit committee is an independent advisory body which must advise the municipal council, the political office-bearers, the accounting officer and the management staff of the municipality, on matters relating to –

- internal financial control;
- risk management;
- performance management; and
- Effective governance.

The Performance and Audit Committee have the following main functions as prescribed in section 166 (2) (a-e) of the Municipal Finance Management Act, 2003, Local Government Municipal and Performance Management Regulation, 2001 and the office of the Auditor-General:

- To advise the Council on all matters related to compliance and effective governance;
- To review the annual financial statements to provide Council with an authoritative and credible view of the financial position of the municipality, its efficiency and its overall level of compliance with the MFMA, the annual DORA and other applicable legislation;
- Respond to the council on any issues raised by the Auditor-General in the audit report;
- To review the quarterly reports submitted to it by the internal audit;
- To evaluate audit reports pertaining to financial, administrative and technical systems;
- The compilation of reports to Council, at least twice during a financial year;
- To review the performance management system and make recommendations in this regard to Council;
- To identify major risks to which Council is exposed and determine the extent to which risks have been minimized;
- To review the annual report of the municipality;
- Review the plans of the Internal Audit function and in so doing; ensure that the plan addresses the high-risk areas and ensure that adequate resources are available.
- Provide support to the Internal Audit function.
- Ensure that no restrictions or limitations are placed on the Internal Audit section

The municipality's Audit Committee Recommendations for 2015/16 financial year are as follows:

Municipal Performance and Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2015/16	Recommendations adopted (enter Yes) If not adopted (provide explanation)
28-Jul-15	Request to perform a value for money audit	Yes
28-Aug-15	Audit Work Completed and Planned	Yes
28-Aug-15	Inventory Audit Quarter 4	Yes
28-Aug-15	Solid Waste Audit 4th Quarter	Yes
28-Aug-15	Low or no Productivity	Yes
28-Aug-15	Slow or no Recovery of Revenue	Yes
28-Aug-15	Performance Management Audit	Yes
28-Aug-15	Debtors Data Audit	Yes
28-Aug-15	Municipal Systems Act Compliance	Yes
28-Aug-15	Funding Received for Grabouw Potholes	Yes
28-Aug-15	Funding for Provision of Link Services to Riemvasmaak	Yes

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## Municipal Performance and Audit Committee Recommendations

Date of Committee	Committee recommendations during 2015/16	Recommendations adopted (enter Yes) If not adopted (provide explanation)
28-Aug-15	Distribution Losses Audit	Yes
28-Aug-15	Internal Audit Follow-up Reports	Yes
28-Aug-15	Auditor General Follow-up Report	Yes
28-Aug-15	2014/2015 Performance Assessment	Yes
28-Aug-15	Performance- and Audit Committee Evaluation	Yes
28-Aug-15	Internal Audit Evaluation	Yes
28-Aug-15	Revised Annual Risk Based Audit Plan	Yes
28-Aug-15	Quarterly Budget Statement for the Fourth Quarter Ending 30 June 2015	Yes
28-Aug-15	Draft Financial Statements for the Year Ending 30 June 2015	No, It was resolved that a meeting be scheduled for 31 August 2015 to discuss the financial statements.
28-Aug-15	State of ICT Governance 1 April 2015 - 30 June 2015	Yes
31-Aug-15	Draft Financial Statements for the Year Ending 30 June 2015	Yes
30-Oct-15	Supply Chain Management 4th Quarter	Yes
30-Oct-15	Inventory Audit	Yes
30-Oct-15	Risk Management Audit	Yes
30-Oct-15	Quarterly Budget Statement for the First Quarter Ending 30 September 2015	Yes
30-Oct-15	Replacement of Faulty Water Meters	Yes
30-Oct-15	Housing Audit	Yes
25-Nov-15	Audit Work Completed and Planned	Yes
25-Nov-15	Backlog in Infrastructure Audit	Yes
25-Nov-15	Excel Formulas Audit	Yes
25-Nov-15	Solid Waste 1st Quarter Audit	Yes
25-Nov-15	Internal Audit Follow-up Reports	Yes
25-Nov-15	First Quarter Compliance Assessment	Yes
25-Nov-15	First Quarter Performance Assessment	Yes
25-Nov-15	ICT Report	Yes
25-Nov-15	Risk Management Committee Minutes	Yes
22-Jan-16	Internal Audit Follow-up Reports	Yes
22-Jan-16	Supply Chain Management 1st Quarter	Yes
22-Jan-16	AdHoc Assets Audit	Yes
22-Jan-16	2014/2015 Draft Annual Report	Yes
22-Jan-16	SDBIP First Quarter Audit	Yes
22-Jan-16	Strategic and Operational Risk Register	Yes
4-Mar-16	Audit Work Completed and Planned	Yes
4-Mar-16	Solid Waste 2nd Quarter Audit	Yes
4-Mar-16	Second Quarter Compliance Assessment	Yes
4-Mar-16	Auditor General Follow-up Report	Yes
4-Mar-16	Informal Settlement Audit	No, the agenda item was referred back for additional comments by the Director Development Services
4-Mar-16	SDBIP Second Quarter Audit	Yes
4-Mar-16	Second Quarter Performance Assessment	Yes

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Municipal Performance and Audit Committee Recommendations		
Date of Committee	Committee recommendations during 2015/16	Recommendations adopted (enter Yes) If not adopted (provide explanation)
4-Mar-16	Quarterly Budget Statement for the Second Quarter Ending 31 December 2015	Yes
4-Mar-16	ICT Quarterly Report	Yes
4-Mar-16	Bi-Annual Financial Statements - 31 December 2015	Yes
4-Mar-16	Revised Annual Risk Based Audit Plan	Yes
3-Jun-16	Audit Work Completed and Planned	Yes
3-Jun-16	Inventory Audit	Yes
3-Jun-16	Supply Chain Management Audit Second Quarter	Yes
3-Jun-16	Third Quarter Compliance Assessment	Yes
3-Jun-16	ICT Management Audit	Yes
3-Jun-16	Contract Management Audit	Yes
3-Jun-16	Solid Waste Third Quarter Audit	Yes
3-Jun-16	SDBIP Third Quarter Audit	Yes
3-Jun-16	Third Quarter Performance Assessment	Yes
3-Jun-16	Internal Audit Follow-up Reports	Yes
3-Jun-16	Informal Settlement Audit	Yes
3-Jun-16	Third Quarter SDBIP of the Office of the Chief Audit Executive	Yes
3-Jun-16	Performance- and Audit Committee Evaluation	Yes
3-Jun-16	Internal Audit Evaluation	Yes
3-Jun-16	Meeting Schedule	Yes
3-Jun-16	Annual Risk Based Internal Audit Plan 2016/2017	Yes
3-Jun-16	Quarterly Budget Statement for the Third Quarter Ending 31 March 2016	Yes
3-Jun-16	Distribution Losses Report	No, the item was referred back for additional information
3-Jun-16	Minutes of the Risk Management Committee	Yes
3-Jun-16	ICT Quarterly Report	Yes
3-Jun-16	Explanatory Report as a Result of an Audit on Assets by Internal Audit	Yes

## 2.8.1 2015/2016 ANNUAL REPORT OF THE PERFORMANCE AND AUDIT COMMITTEE

Speaker, Mrs Mayor, Members of Council, The Municipal Manager, Directors, Ladies and Gentleman, it is my duty to deliver the annual report of the Performance and Audit Committee to Council for the financial year ending 30 June 2016.

### Performance- and Audit Committee

# Chapter 2

As a statutory, independent committee its duties and responsibilities are clearly articulated in the Municipal Finance Management Act, Act 56 of 2003 and the Audit Committee Charter as approved by Council.

The Performance Audit and Audit Committee consisted of four (4) independent members who are all appropriately qualified, who are financially literate and who are acquainted with the Risk Management and Performance Management disciplines.

The committee has held 8 (eight) meetings during the financial year under review. These meetings were well attended by Committee Members, the Municipal Manager, Directors, Members of the Audit Team and Representatives from the Auditor-General's Office, Chairperson of the Finance Portfolio Committee and Councillors nominated by Council to attend the meetings.

The committee went on a field trip on 12 May 2016 and visited Genadendal and the Villiersdorp Waste Water Treatment Plant.

## DATES OF PERFORMANCE AUDIT AND AUDIT COMMITTEE MEETINGS:

JULY	AUGUST	OCTOBER	NOVEMBER	JANUARY	MARCH	JUNE
<b>28 July 2015</b>	28 Aug 2015 31 Aug 2015	30 October 2015	25 Nov 2015	22 Jan 2016	4 March 2016	3 June 2016

Name of Member	Number of Meetings Attended
GN Lawrence (Chairperson)	8
A Pienaar	6
BH van Staaden	8
DW J Jacobs	8

The Performance Audit and Audit Committee conducted self-assessments during March 2016 in order to measure its performance. Input from Management was part of the assessment process. The results of the performance was reviewed and discussed at the Performance Audit and Audit Committee Meeting of 3 June 2016.

## The Effectiveness of Internal Control

Internal control is the system of controls and directives that are designed to provide cost effective assurance that assets are safeguarded, that liabilities and working capital are efficiently managed and that the municipality fulfils its mandate, in compliance with all relevant statutory and governance duties and requirements.

The committee reviewed all the Internal Audit reports. Other than the matters highlighted below, no material deficiencies in the system of internal control were noted.

During the year key control deficiencies were noted by Internal Audit in the following areas;

- Risk Management
- Informal Settlements
- Human Resources
- Inventory

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- SDBIP Audit

Corrective actions have been agreed by management and are being monitored by the Performance Audit and Audit Committee.

## Risk Management

The Performance Audit and Audit Committee is well informed and satisfied with reports regarding the Status of Risk Management in TWK. The minutes of the Risk Management Committee are presented to the Performance- and Audit Committee on a quarterly basis.

The updated Operational and Strategic risk register was presented to the Performance- and Audit Committee on 22 January 2016.

The Risk Management Implementation Strategy along with the Risk Management Policy serves as induction documentation for new employees. Constant interaction with Departments in terms of risk contributes towards risk awareness.

## Performance Management and Evaluations of Section 57 Appointments

The Performance Audit and Audit Committee have reviewed the 2015/2016 Annual Performance Report of the municipality as well as the quarterly SDBIP Performance Reports submitted to it by the Internal Audit Department. Based on the discussions and assurances obtained, the committee is satisfied with the Performance Management System of the municipality.

The Chairperson of the Performance Audit and Audit Committee attend the annual performance evaluations of the Section 57 appointments and was satisfied with the course of the event.

## Evaluation of Financial Statements

The Audit Committee has:

- reviewed and discussed the budget statements (section 71 reports) on a quarterly basis;
- reviewed and discussed the Bi-Annual Financial Statements in March 2016;
- reviewed and discussed the unaudited draft Annual Financial Statements on 31 August 2016 prior to submission to the Auditor General;
- reviewed the processes for compliance with legal and regulatory provisions.

## Internal Audit

In terms of the IIA (Institute of Internal Auditors) standards, the Internal Audit unit must undergo an internal quality assessment. In March 2016 the Performance Audit and Audit Committee and the Management Team evaluated the Internal Audit Unit.

In general the Performance Audit and Audit Committee is satisfied with the performance of the Internal Audit Unit.

In line with the MFMA and the King III Report on Corporate Governance requirements, Internal Audit provides the Audit Committee and Management with reasonable assurance that the internal controls are adequate and effective. This is achieved by a risk based Internal Audit plan, internal audit assessing the adequacy of controls, mitigating the risks and the audit committee monitoring implementation of corrective actions.

The Internal Audit Unit conducted 26 investigations during the year under review and completed 100% of the audits identified on the risk based internal audit plan for 2015/2016.

58 Findings were made of which 9 were regarded as significant (serious)

# Chapter 2

The remaining 49 findings were regarded as housekeeping i.e. minor transgressions which could easily be rectified.

The following internal audit work was planned and completed during the year under review:

- Supply Chain Management 4<sup>th</sup> Quarter 2014/2015
- Compliance Assessment 1<sup>st</sup> Quarter 2015/2016
- Risk Management
- Excel Formulas
- Solid Waste 1<sup>st</sup> Quarter 2015/2015
- Inventory First Review 2015/2016
- Backlog in Infrastructure
- Replacement of Faulty Water Meters
- Supply Chain Management 1<sup>st</sup> Quarter 2015/2016
- ICT Management
- Human Resources
- Contract Management
- Compliance Assessment 2<sup>nd</sup> Quarter 2015/2016
- Solid Waste 2<sup>nd</sup> Quarter 2015/2016
- Assets (Ad Hoc Review)
- SDBIP 1<sup>st</sup> Quarter 2015/2016
- Informal Settlements
- Maintenance on Proclaimed Roads
- SDBIP 2<sup>nd</sup> Quarter 2015/2016
- Supply Chain Management 2<sup>nd</sup> Quarter 2015/2016
- Solid Waste 3<sup>rd</sup> Quarter 2015/2016
- Compliance Assessment 3<sup>rd</sup> Quarter 2015/2016
- Inventory Second Review 2015/2016
- Supply Chain Management 3<sup>rd</sup> Quarter 2015/2016
- SDBIP 3<sup>rd</sup> Quarter 2015/2016
- Solid Waste 4<sup>th</sup> Quarter 2015/2016

## Appreciation

The Audit Committee wishes to express its appreciation to the Management of the Municipality and the Internal Audit Unit for the co-operation and information they have provided to enable us to compile this report.

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**Mr GN Lawrence**  
**Chairperson of the Performance- and Audit Committee**  
**October 2016**

# Chapter 2

## 2.9 SUPPLY CHAIN MANAGEMENT

MFMA section 110 - 119; SCM Regulations 2005; and relevant MFMA circulars set out required processes and guidance manuals to help ensure that SCM arrangements provide appropriate goods and services, offer best value for money and minimize the opportunities for fraud and corruption.

The Local Government: Municipal Finance Management Act, No 56 of 2003, MFMA) requires the municipality to have and implement a Supply Chain Management Policy (SCM Policy) which gives effect to the provisions of Part 1 of Chapter 11 of the Act that deals with 'Supply Chain Management'.

The accounting officer submits a report on the implementation of the SCM policy monthly to council.

Council has duly delegated the implementation of the Supply Chain Management Policy to the Accounting Officer who is responsible for taking all reasonable steps to ensure that proper mechanisms and separation of duties in the supply chain management system are in place to minimise the likelihood of fraud, corruption, favouritism and unfair and irregular practices

### Supply Chain Management processes

The following thresholds are currently being adhered to in order to support the strategic and operational commitments of the municipality:

- a. Petty cash purchases, up to a transaction of value of R200.00 (vat included);
- b. 1 (One) written or verbal quotation for procurements of a transaction value up to R2,000.00 (VAT included)
- c. 3 (Three) written quotations for procurements of transaction value from R2,000.01 up to R30,000.00 (VAT included)
- d. 3 (Three) formal written price quotations for procurements of a transaction value over R30,000.00 up to R200,000.00 (VAT included); and
- e. A Competitive Bidding Process For-
  - i. Procurements above a transaction value of R200,000.00 (VAT included); and
  - ii. The procurement of long term contracts

# Chapter 2

## 2.10 BY-LAWS

### By-laws Introduced during Year 2015/16

Newly Developed	Revised	Public Participation Conducted Prior to Adoption of By-Laws (Yes/No)	Dates of Public Participation	By-Laws Gazetted* (Yes/No)	Date of Publication
<b>Theewaterskloof Municipality Repeal bylaw</b>		Yes	2-Dec-15	Yes	17-May-16
	Bylaw on rules of order for the internal arrangement of the Municipal Council	Yes	21-May-15	Yes	22-Feb-16
<b>Bylaw on Municipal land use planning</b>		Yes	1-May-14	Yes	20-Jul-15
<b>Air Quality Management Bylaw</b>		Yes	23-Jan-15	Yes	11-Sep-15
	Cemeteries and crematoriums bylaw	Yes	21-May-15	Yes	11-Sep-15
<b>Fencing and walls bylaw</b>		Yes	23-Jan-15	Yes	11-Sep-15
	Informal trading bylaw	Yes	30-Apr-15	Yes	11-Sep-15
	Irrigation water bylaw	Yes	30-Apr-15	Yes	11-Sep-15
	Outdoor advertising and signage bylaw	Yes	30-Apr-15	Yes	11-Sep-15
	Public Amenities bylaw	Yes	30-Apr-15	Yes	11-Sep-15
	Public nuisances and nuisances relating from the keeping of animals bylaw	Yes	30-Apr-15	Yes	11-Sep-15
	Bylaw relating to streets	Yes	30-Apr-15	Yes	11-Sep-15
	Stormwater management bylaw	Yes	21-May-15	Yes	11-Sep-15
<b>Control of fireworks bylaw</b>		Yes	23-Jan-15	Yes	21-Jul-15
<b>Commonage bylaw</b>		Yes	23-Jan-15	Yes	21-Jul-15
<b>Public busses and taxis bylaw</b>		Yes	23-Jan-15	Yes	21-Jul-15
<b>Sportfacilities bylaw</b>		Yes	23-Jan-15	Yes	21-Jul-15
	Property rates bylaw	Yes	30-Apr-15	Yes	21-Jul-15
<b>Waste management bylaw</b>		Yes	23-Jan-15	Yes	21-Jul-15
<b>Aerodrome bylaw</b>		Yes	23-Jan-15	Yes	21-Jul-15
	Nature reserves bylaw	Yes	30-Apr-15	Yes	21-Jul-15
<b>Community fire safety Bylaw</b>		Yes	23-Jan-15	Yes	1-Sep-15
	Electricity supply bylaw	Yes	21-May-15	Yes	11-Sep-15

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## COMMENT ON BY-LAWS:

*MSA 2000 s11 (3) (m) provides municipal councils with the legislative authority to pass and implement by-laws for the betterment of the community within the terms of the legislation.*

All bylaws that were newly implemented as well as existing bylaws that were amended, underwent rigorous public participation processes. Where appropriate, the comments from the general public were taken into account and the bylaws in questions were amended accordingly.

T 2.9.1.1

## 2.11 WEBSITE

A municipal website should be an integral part of a municipality's communication infrastructure and strategy. It serves as a tool for community participation, improves stakeholder involvement and facilitates stakeholder monitoring and evaluation of municipal performance. Section 75 of the MFMA requires that the municipalities place key documents and information on their website, including the IDP, the annual budget, adjustments budgets and budget related documents and policies.

Below is a website checklist to indicate the compliance to Section 75 of the MFMA:

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## Municipal Website : Content and Currency of Material

Documents published on the Municipality's / Entity's Website	Yes / No	Publishing Date
Current annual and adjustments budgets and all budget-related documents	Yes	2015/16 Draft budget - 2015/16 Annual budget - 2015/16 Adjustment budget -
All current budget-related policies	Yes	June 2015
The previous annual report (Year 2014/15)	Yes	29 March 2016
The annual report (Year 2015/16) published/to be published	Yes	23 March 2017
All current performance agreements required in terms of section 57(1)(b) of the Municipal Systems Act (Year 2015/16) and resulting scorecards	Yes	2 August 2016
All service delivery agreements (Year 2015/16)	Yes	Monthly as per policy
All long-term borrowing contracts (Year 2015/16)	Yes	Monthly as per policy
All supply chain management contracts above a prescribed value (R 30 000) for Year 2014/15	Yes	Monthly as per policy
An information statement containing a list of assets over a prescribed value that have been disposed of in terms of section 14 (2) or (4) during Year 2015/16	N/A	
Contracts agreed in Year 2015/16 to which subsection (1) of section 33 apply, subject to subsection (3) of that section	N/A	
Public-private partnership agreements referred to in section 120 made in Year 2015/16	N/A	
All quarterly reports tabled in the council in terms of section 52 (d) during Year 2015/16	Yes	Quarter 1 – 11 November 2015 Quarter 2 – 28 January 2015 Quarter 3 – 31 May 2016 Quarter 4 – 05 August 2016

# Chapter 2

## COMMENT MUNICIPAL WEBSITE CONTENT AND ACCESS:

TWK Municipality's website comply with the requirements of Section 75 of the MFMA through the Directorates who continuously ensure that information is published and that information is updated and added timeously.

Public access to computers are at this stage not directly done by the municipality or at municipal administration offices, however public access to computers are setup at all libraries in Theewaterskloof. The municipal ICT division renders support to the libraries in this regard to ensure working and accessible public systems. Further to municipal ICT support of public internet access, the libraries also have public internet access as part of the provincial government's deployments of public access computers. Recently customer care centres were set up the Town Offices of Caledon, Grabouw and Villiersdorp. The public can approach the customer care consultants who will assist them with access to required municipal information, applications, processes and procedures. This project is handled by the Operations Directorate, who is currently implementing customer care centres at all Town Offices.

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# Chapter 2

## 2.12 PUBLIC SATISFACTION ON MUNICIPAL SERVICES

**Satisfaction Surveys Undertaken during: Year 2015 and Year 2016**

Subject matter of survey	Survey method	Survey date	No of people included in survey	Survey results indicating satisfaction or better (%) <sup>*</sup>
<b>Overall satisfaction with:</b>				
(a) Municipality				
(b) Municipal Service Delivery				
(c ) Mayor				
<b>Satisfaction with:</b>				
(a) Refuse Collection	No Survey Conducted	-	-	-
(b) Road Maintenance	Ward Committee Meeting	July 2015 till June 2016	WARD COMMITTEE (5-8)	73.98
(c ) Electricity Supply	No Survey Conducted	-	-	-
(d) Water Supply	Ward Committee Meeting	July 2015 till June 2016	WARD COMMITTEE (5-8)	76.00
(e) Information supplied by municipality to the public	Ward Committee Meeting	July 2015 till June 2016	WARD COMMITTEE (5-8)	78.70
(f) Opportunities for consultation on municipal affairs	No survey Conducted	-	-	-
(g) Law Enforcement	Ward Committee Meeting	July 2015 till June 2016	WARD COMMITTEE (5-8)	75.00
(h) Building Control & Town Planning	Ward Committee Meeting	July 2015 till June 2016	WARD COMMITTEE (5-8)	50.00
(i) Tourism, LED & Town Appearance	Ward Committee Meeting	July 2015 till June 2016	WARD COMMITTEE (5-8)	75.00

The Survey was conducted in the different towns where ward committee members have to score that specific town in terms of how they rate the performance on the different categories.

# Chapter 3

## CHAPTER 3 – SERVICE DELIVERY PERFORMANCE (PERFORMANCE REPORT PART I)

This will provide information on the functional and strategic performance of the municipality and will indicate how well the municipality is meeting its objectives and which policies and processes are working. All government institutions must report on strategic performance to ensure that service delivery is efficient, effective and economical.

The functional performance of the municipality provides comprehensive information on the implementation of the SDBIP and relevant Functional Areas reporting schedules.

The key functions of the Municipality are as follows:

Municipal Functions		Function Applicable to Municipality (Yes / No)*
<b>Constitution Schedule 4, Part B functions:</b>		
Air pollution	Yes	
Building regulations	Yes	
Child care facilities	Yes	
Electricity and gas reticulation	Yes	
Fire fighting services	No	
Local tourism	Yes	
Municipal airports	No	
Municipal planning	Yes	
Municipal health services	No	
Municipal public transport	Yes	
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this Constitution or any other law	Yes	
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters related thereto	No	
Stormwater management systems in built-up areas	Yes	
Trading regulations	Yes	
Water and sanitation services limited to potable water supply systems and domestic wastewater and sewage disposal systems	Yes	
Beaches and amusement facilities	Yes	
Billboards and the display of advertisements in public places	Yes	
Cemeteries, funeral parlours and crematoria	Yes	
Cleansing	Yes	
Control of public nuisances	Yes	
Control of undertakings that sell liquor to the public	Yes	
Facilities for the accommodation, care and burial of animals	Yes	
Fencing and fences	Yes	
Licensing of dogs	Yes	
Licensing and control of undertakings that sell food to the public	Yes	
Local amenities	Yes	
Local sport facilities	Yes	
Markets	Yes	
Municipal abattoirs	Yes	
Municipal parks and recreation	Yes	
Municipal roads	Yes	

# Chapter 3

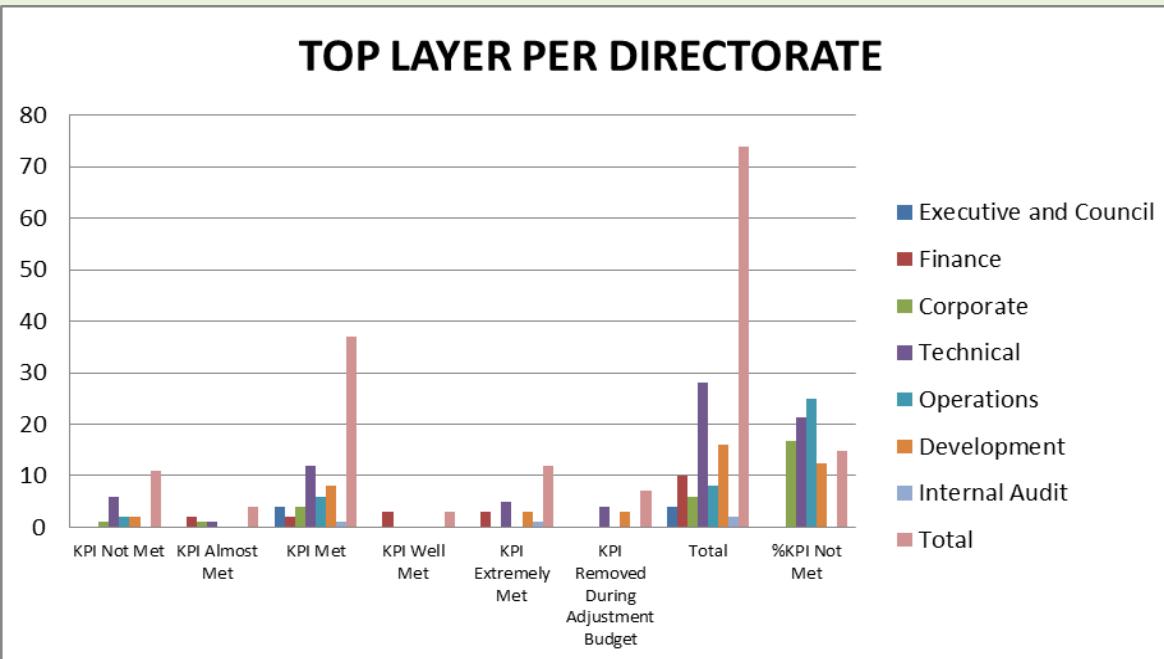
Municipal Functions		Function Applicable to Municipality (Yes / No)*
Noise pollution		Yes
Pounds		Yes
Public places		Yes
Refuse removal, refuse dumps and solid waste disposal		Yes
Street trading		Yes
Street lighting		Yes
Traffic and parking		Yes

The purpose of strategic performance reporting is to report specifically on the implementation and achievement of IDP outcomes. This section provides an overview on the strategic achievement of the municipality in terms of the strategic intent and deliverables achieved as stated in the IDP. The Top Layer (strategic) SDBIP is the municipality's strategic plan and shows the strategic alignment between the different documents, (IDP, Budget and Performance Agreements).

The table below depicts the performance achieved against the Top Layer per directorate:

	KPI Not Met	KPI Almost Met	KPI Met	KPI Well Met	KPI Extremely Met	KPI Removed During Adjustment Budget	Total	%KPI Not Met
Executive and Council	0	0	4	0	0	0	4	0%
Finance	0	2	2	3	3	0	10	0%
Corporate	1	1	4	0	0	0	6	16.67
Technical	6	1	12	0	5	4	28	21.43
Operations	2	0	6	0	0	0	8	25.00
Development	2	0	8	0	3	3	16	12.50
Internal Audit	0	0	1	0	1	0	2	0%
Total	11	4	37	3	12	7	74	14.86

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**Note:** Theewaterskloof municipality for the financial year 2015/16 had 74 Top Layer KPI's of which 7 were removed with the Adjustment Budget and Revision of the SDBIP; 11(14.86%) of the KPIs were not met due to different reasons stated within the report. However the municipality achievement is illustrated in the table and graph above.

The following table explains the method which the overall assessment and actual performance against targets set for the key performance indicators (KPI's) of the SDBIP are met.

Category	Colour	Explanation
KPI Removed during Adjustment Budget	Grey	KPI's with no targets or actuals in the selected period
KPI Not Met	Red	0% >= Actual/Target < 75%
KPI Almost Met	Orange	75% >= Actual/Target < 100%
KPI Met	Green	Actual Target = 100%
KPI Well Met	Dark Green	100% > Actual/Target < 150%
KPI Extremely Well Met	Dark Blue	Actual/Target >=150%

The final SDBIP differs somewhat to the original SDBIP.

The Top Layer SDBIP and its targets cannot be revised without notifying the council therefore all changes made in service delivery targets and performance indicators must be done with the approval of the council, following approval of an adjustments budget.

Council approval is necessary to ensure that the Mayor or Municipal Manager do not revise targets downwards in the event where there is poor performance.

The following elements necessitated the revision of the SDBIP:

The adjustment budget:

# Chapter 3

The adjustment budget was tabled and adopted by council on 25 February 2016.

Auditor general's recommendation on the 2014/15 Performance Audit.

The revision process was as follows:

One on one sessions were held with all the directors and their heads of departments were KPIs were drafted to ensure consistency with planned objectives, indicators, targets and also to ensure that the KPI's and targets set are based on the SMART principles.

# Chapter 3

## A. EXECUTIVE AND COUNCIL

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											T a r g e t	A c t u a l	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL1	Office of the Municipal Manager	Improved Communication and community involvement	Good Governance and Improve the auditing status of the Municipality	Good Governance	Report quarterly to Mayco on the implementation of the Communication Strategy	Number of reports submitted	New	4	3	Accumulative	3	3	G	Target Achieved: March :Quarterly report submitted to MAYCO on the 16 February 2016. Ref: EMC05/2016 The communication strategy was approved by Council. Management approved the integration of communication tools in September 2015. The third implementation report of the communication strategy was approved by council on 14 June 2016	
TL2	Office of the Municipal Manager	Improved Communication and community involvement	Good Governance and Improve the auditing status of the Municipality	Good Governance	Report quarterly to Mayco on the implementation of the Customer Relations programme	Number of reports submitted	New	4	3	Accumulative	3	3	G	Target Achieved: March: Quarterly report submitted to MAYCO on the 16 February 2016. Ref: EMC06/2016 Report was drafted and approved by Management. Management forwarded the report to MAYCO. MAYCO must still approve the report. Attached are minutes of the Management meeting of 10 June 2016 item M140/2016.	

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Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											T a r g e t	A c t u a l	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL3	Office of the Municipal Manager	Improved administrative function	Good Governance and Improve the auditing status of the Municipality	Good Governance	Nine (9) year progress review	Report to Council	New	1	1	Carry Over	1	1	G	<b>Target Achieved:</b> <b>October:</b> 9 Year Report drafted after the conclusion of the final strategic session of current council. Held at Herberg Arniston. Ref: C194/2015	
TL4	Office of the Municipal Manager	Improved Financial Management	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Good Governance	Financial Plan approved by Council	Council Approval	New	1	1	Carry Over	1	1	G	<b>Target Achieved:</b> Financial Plan approved by Council the latter must note that the plan consist of various components: •Outcome of the 2015 Strategic Workshop at the Herberg Resort in Arniston •MIG Planning •Theewaterskloof Local Municipality Long Term Financial Plan: 2015 – 2024 •Inca Financial plan All these planning have been completed and are attached to the comment. This package was included in the third quarter report and is in fact the Financial Plan referred to.	

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## B. DIRECTORATE FINANCE

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				Departmental SDBIP Comments	Departmental Corrective Measures
											Target	Actual	R			
TL5	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Compile Plan to address AG audit findings annually	Plan Completed	1	1	1	Carry Over	1	1	G	Target Achieved: M27/2016 Management Meeting 29 January 2016		
TL6	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Submit bi-annual financial statements to Audit Committee	Number of Statements submitted	1	2	2	Accumulative	2	2	G	Target Achieved: P&AC Meeting 28/08/2015 P&AC55/2015		
TL7	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Achieve a payment percentage of 95% by the end of 2017	Payment%	87	92%	92%	Carry Over	92%	89%	O	Target Almost Achieved: Payment% as at June 2016 = 89 (June 2016)	Manager: Revenue: Implement credit control and debt collection and legal procedures. (June 2016)	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016			
											Target	Actual	R	Departmental SDBIP Comments
TL8	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Financial viability measured in terms of the outstanding service debtors (Total outstanding service debtors/revenue received for services) (30% by end of 2017)	Ratio achieved	50	54%	0%	Reverse Last Value	54%	52.03%	B	Target not Achieved: The ratio achieved = 52.03
TL9	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Financial viability measured in terms of the available cash to cover fixed operating expenditure ((Available cash+ investments) / Monthly fixed operating expenditure) The eventual target for this ratio is three times.	Ratio achieved	1	1	1	Last Value	1	2	B	Target Extremely Well Met: The ratio achieved = 2

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL10	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Financial viability measured in terms of the municipality's ability to meet its service debt obligations ((Total operating revenue-operating grants received)/debt service payments due within the year) (%) The eventual target for this ratio is 12.	Ratio achieved	11	11	0	Last Value	11	14.42	B	Target Extremely Well Met: Ratio achieved = 14.42	
TL11	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Provision of free basic water in terms of the equitable share requirements	No of HH receiving free basic water	3500	3 500	3 500	Last Value	3 500	3 972	G2	Target Well Met: TWK also provide basic services to 4740 informal settlements	TWK also provide basic services to 4740 informal settlements

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL12	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Provision of free basic electricity in terms of the equitable share requirements	No of HH receiving free basic electricity	3500	3 500	6 800	Last Value	1 700	1 510	O	<b>Target Almost Achieved:</b> The Eskom consumers is not included, the account will only be paid in the next month. TWK also provide services to 4740 consumers in informal settlements (June 2016)	The Eskom consumers is not included, the account will only be paid in the next month. TWK also provide services to 4740 consumers in informal settlements
TL13	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Provision of free basic refuse removal in terms of the equitable share requirements	No of HH receiving free basic refuse removal	3500	3 500	3 500	Last Value	3 500	4 214	G 2	<b>Target Well Met:</b> TWK also provide services to 4740 informal settlements.	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL14	Financial Services	Work towards obtaining a clean audit	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	Provision of free basic sanitation in terms of the equitable share requirements	No of HH receiving free basic sanitation	3500	3 500	3 500	Last Value	3 500	4 134	G 2	Target Well Met: TWK also provide services to 4740 informal settlements.	

# Chapter 3

## C. CORPORATE SERVICES

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL15	Corporate Services	Improved IT service and infrastructure	Refine and improve the institutional capacity of the municipality	Institutional Development	Review identified ICT policy annually and submit report to ICT Steering Committee	Number of reports on policies reviewed and submitted to ICT Steering Committee	New	1	1	Carry Over	1	1	G	Target Achieved: The policies prescribed by the Western Cape MCGICT policy was presented to the ICT Steering Committee and subsequently revised by the Manager ICT for presentation to council.	
TL16	Corporate Services	Improved IT service and infrastructure	Refine and improve the institutional capacity of the municipality	Institutional Development	Replace redundant computers	Rand value of approved budget spent	R150 000	R 280,000	R 280,000	Carry Over	R 280,000	R 161,934.26	R	Target not Achieved: The tender had to be cancelled twice. The first time due to the steep increase in the R/\$ exchange and the second time on recommendation of Provincial Treasury.,	An emergency order was issued to address the most critical system shortages.

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				Departmental SDBIP Comments	Departmental Corrective Measures
											Target	Actual	R			
															which recommendation was supported by SCM and Legal	
TL17	Corporate Services	Implement outcome based training strategies and programmes	Refine and improve the institutional capacity of the municipality	Institutional Development	Implement the workplace skills plan annually	60% of personnel identified trained	50	60%	60%	Carry Over	60%	100%	B	Target Extremely Well Achieved: Trained Jan: 7.4% Staff Trained Feb: 14% Staff Trained March: 22% Staff Trained April : 7% Staff Trained May: 6%. Staff Trained June:62% Staff Trained Actual Performance for the financial year was more than 100%		
TL18	Corporate Services	Continuous review of policies and delegations and by-laws	Refine and improve the institutional capacity of the municipality	Institutional Development	Review identified policies annually and submit report to Management	Number of reports on policy reviewed and submitted to Management	New	1	1	Carry Over	1	2	B	Target Extremely Well Achieved: Reviewed 2 policies: Travelling and Subsistence and Retired Professional policy		

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL19	Corporate Services	Improved Communication and community involvement	Good Governance and Improve the auditing status of the Municipality	Good Governance	Establishment of a public participation database (inclusive of all participation meetings of Towns and Corporates)	Functional Electronic database		1	1	Carry Over	1	1	G	Target Achieved: Database was established in April 2016. It is accessible in outlook calendar.	
TL20	Corporate Services	Continuous review of policies and delegations and by-laws	Refine and improve the institutional capacity of the municipality	Institutional Development	Review and update delegations annually	Updated delegations	New	1	1	Carry Over	1	1	G	Target Achieved: The delegation register was adopted by Council on 23 June 2016	
TL21	Corporate Services	Continuous review of policies and delegations and by-laws	Refine and improve the institutional capacity of the municipality	Institutional Development	Review and update Council's role and responsibilities annually	Reviewed Council's roles and responsibilities		1	1	Carry Over	1	1	G	Target Achieved: The roles and responsibilities policy was approved by Council on 26 May 2016.	
TL74	Corporate Services	Launch a productivity improvement plan based on the outcome of a productivity assessment	Good Governance and Improve the auditing status of the Municipality	Good Governance	Spend at least 95% of the workplace skills approved Budget on implementing the workplace skills plan	% of budget spend	95	100%	0%	Carry Over	100%	88.97%	O	Target Almost Achieved: Budget spend on Implementing of the workplace skills plan was 88.97 on the 07 July 2016.	The final recon will only be available at end July 2016. (June 2016)

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL75	Corporate Services	Day to Day Service Delivery	Good Governance and Improve the auditing status of the Municipality	Good Governance	Number of EE targets employed in three highest levels of management.	% of people employed to meet EE target	0	100%	0%	Stand-Alone	100%	100%	G	Target Achieved: There were no positions advertised on the first three highest levels.	

# Chapter 3

## D. TECHNICAL SERVICES

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL22	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade of Waste Water Treatment Works: Villiersdorp	%as per project Plan	1	100%	100%	Carry Over	100%	0%	R	<b>Target not Achieved:</b> The taking over certificate has not been issued. Completion of the mechanical electrical contracts delayed-the Engineers progress report is attached. The installed equipment will be commissioned in the first quarter of 2016/17	The contractor has applied for an extension of time to complete the works. In terms of the contract an extension of time may be granted by the Engineer where such claims are justified. The taking over certificate will be issued upon successful commissioning of the works (June 2016)
TL23	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital address infrastructure	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental	Basic Service Delivery	New sewerage reticulation system, RDP housing: Villiersdorp Phase 1	%as per project Plan	New	50%	50%	Carry Over	50%	50%	G	<b>Target Achieved:</b> The pipeline has been completed and is in use. The Engineers confirmation hereof is attached	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
		and bulk services backlog, Reserve Development Program and development contribution program	strategies and improve sustainability in the process												
TL24	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlog, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade Grabouw Waste Treatment Plant.	%implementation as per project plan		100%	50%	Carry Over	50%	50%	G	<b>Target Achieved:</b> The upgrading of the existing aerators and clarifiers has started. Circuit Water have started with the installation of the tendered equipment. Site meeting nr 2 was held. Two out of the three clarifiers included in the contract have been refurbished and commissioned. Only two of the three aerators ordered has been delivered.	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL25	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	New cable between Aandblom & Veldblomtuin substations	%implementation as per project plan	100	100%	100%	Carry Over	100%	100%	G	Target Achieved: Project Completed	
TL26	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Replace switch station c/o Human & van Riebeck street	%implementation as per project plan	1	100%	100%	Carry Over	100%	100%	G	Target Achieved: Project completed	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL27	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	High mast/street Lights: Villiersdorp	%as per project Plan	New	100%	100%	Carry Over	100%	100%	G	Target Achieved: Project completed	
TL28	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	High mast/street Lights: Grabouw	%as per project Plan	New	100%	100%	Carry Over	100%	100%	G	Target Achieved : Project completed	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL29	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade network, Main street: Greyton/Genadendal	%as per project Plan	New	100%	100%	Carry Over	100%	100%	G	Target Achieved : Project completed	
TL30	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade network, Buitekant street: Phase II RSE	%as per project Plan	New	100%	100%	Carry Over	100%	100%	G	Target Achieved : Project completed	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL3 1	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade overhead line Caledon & Unie Avenue	%as per project Plan	New	100%	100%	Carry Over	100%	100%	G	Target Achieved : Project completed	
TL3 2	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Limit distribution losses for electricity to below 8.4%	% for electricity losses	8.4	8.40%	8.40%	Reverse Stand-Alone	8.40 %	4.85 %	B	Target Extremely Well Achieved: Limit distribution losses for electricity is 4.85%	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL33	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade bulk water Storage capacity new reservoir: RSE	Phases completed as per project plan		100%	100%	Carry Over	100%	30%	R	Target not Achieved: SBS Tanks has been appointed and a site handover meeting has been arranged for the 4th of May. The contractor has started with the excavation of the reservoir footprint. Technical meeting nr 1 was held on site Due to the late start of the project (May), the reservoir was not completed by the end of June. The preliminary construction work such as the excavations and concrete ring beam has been completed and the reservoir will be erected in July	In terms of the contract program the reservoir will be completed within the first quarter of 2016/17 (June 2016)

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL3 4	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrade the existing bulk water storage through the construction of a reservoir and related connecting pipework for Grabouw (excluding the rising main from treatment plant to reservoir)	Phases completed as per project plan	100	100%	0%	Carry Over	0%	0%	N/A	KPI Removed	
TL3 5	Technical Services				Upgrading of the existing stormwater networks to accommodate additional stormwater run-off from the Villiersdorp housing project	Phases completed as per project plan	100	100%	0%	Carry Over	0%	0%	N/A	KPI Removed	
TL3 6	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for	Basic Service Delivery	Upgrade of the Villiersdorp Waste Water Treatment Works: Civils Contract	Contract Documentation	100	100%	100%	Carry Over	100%	0%	R	Target not Achieved: The mechanical electrical works has not reached Taking Over stage. The Engineer's ruling with regard to the late completion of the works is still	The contract documentation is expected in July where after the procurement process of the second civils contract will commence (June 2016)

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
		Program and development contribution program	developmental strategies and improve sustainability in the process											outstanding. The Employer's internal extension of the contract remains in place. The Engineer failed to deliver the contract documentation as planned- See attached explanation provided by the Engineer.	
TL37	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Improved environmental management	Basic Service Delivery	Public awareness of recycling and composting	approved implementation plan	1	1	1	Carry Over	1	1	G	<b>Target Achieved:</b> Plan was submitted to Management on the 29th April 2016. B115/2016.	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL38	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Extension of Waste Transfer Station: Grabouw	%as per project Plan	100	50%	50%	Carry Over	50%	50%	G	<b>Target Achieved:</b> Project is in implementation phase. All funds for 2015/16 financial year is spent. Project continues and will be completed in 2016/17 financial year.	
TL39	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Limit water losses to less than 24%	% of unaccounted for water	15	24%	24%	Reverse Stand-Alone	24%	25%	R	<b>Target not Achieved</b> <b>March:</b> Current Losses = 22.7% <b>April:</b> Water Losses 24% <b>May:</b> Current Losses is 24.8% <b>June:</b> Current losses as per Water Balance spread sheet is 25%	Implementation of the WDWCM strategy and Water loss Reduction Plan Implementation of the WDWCM Strategy, Water Loss reduction plan Water Demand Management Strategy Make use of other "sparingly water use" initiatives

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL40	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Report on the water loss reduction initiatives as per project plan	Quarterly reporting to portfolio	New	3	3	Accumulative	3	1	R	<b>Target not Achieved:</b> Report to be submitted 12 May 2016 Item have been presented to the PAC Committee Water loss initiatives submitted to Audit and Performance committee. Operations submitted Initiatives to management	Investigating causes for high losses in Certain towns and will be provided with report. Minutes of Audit meeting after which item will be referred to Management To adhere to resolution by Performance and Audit committee
TL41	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	New water connector pipe Phukom Housing, Villiersdorp	%as per project plan		100%	50%	Carry Over	50%	50%	G	<b>Target Achieved:</b> Phase 1.1 of the new connector pipeline has commenced. By 30 June 60% of the pipeline was installed-refer to the Engineers progress report (June 2016)	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL42	Technical Services	Day to Day Service Delivery	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Upgrading of fleet	Vehicle purchased as per budget		100%	100%	Carry Over	100%	80%	O	Target Almost Achieved Re:- Delivery of Digger loader on 14/06/2016 Delivery of Refuse Compactor 23/06/2016 Outstanding the delivery of Roller with Trailer on 22/07/2016 or sooner as per tender /contract	[D32] Head: Fleet Management: Outstanding invoice of Roller with trailer - Hand in of invoice after delivery on 22/07/2016 (June 2016)
TL43	Technical Services	Implementation of three year infrastructure and basic services upgrade, expansion and replacement program linked to the MIG Program, Capital Reserve Development Program and development contribution program	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	New storm water infrastructure: Phukom	%completed as per project plan		100%	0%	Carry Over	0%	0%	N/A	KPI Removed	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL44	Technical Services			Basic Service Delivery	Access road: Tesselaarsdal	%completed as per project plan	2	100%	0%	Carry Over	0%	0%	N/A	KPI Removed	
TL65	Technical Services	Day to Day Service Delivery	Good Governance and Improve the auditing status of the Municipality	Basic Service Delivery	Provision of basic refuse removal and solid waste disposal to all formal HH (registered debtors) at least once a week in TWK municipal area.	No of HH (registered debtors) with access to basic refuse removal.	New	3 500	0	Carry Over	3 500	15 118	B	Target Extremely Well Achieved:	
TL66	Technical Services	Day to Day Service Delivery	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Basic Service Delivery	Provision of basic water to all formal HH (registered debtors) in TWK municipal area.	No of HH (registered debtors) with access to basic water supply.	New	3 500	0	Carry Over	3 500	14 834	B	Target Extremely Well Achieved:	
TL67	Technical Services	Day to Day Service Delivery	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Basic Service Delivery	Provision of basic electricity to all formal HH (registered debtors) in TWK municipal area.	No of HH (registered debtors) with access to basic electricity	New	1 700	0	Carry Over	1 700	6 448	B	Target Extremely Well Achieved:	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL68	Technical Services	Day to Day Service Delivery	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Basic Service Delivery	Provision of basic sanitation to all formal HH (registered debtors) in TWK municipal area.	No of HH (registered debtors) with access to basic sanitation.	New	3 500	0	Carry Over	3 500	13 377	B	Target Extremely Well Achieved:	
TL73	Technical Services	Infrastructure and bulk upgrades	Improved Sustainable Financial Management of the TWK Municipality and Execute Legislative requirements	Basic Service Delivery	100% Spending of Capital Grants and Loans	% of Budget spent		100%	0%	Carry Over	100%	73%	R	Target not Achieved: R59 915 342.00 has been allocated for Financial year and only R43 898 807.00 were spent.	awaiting final statements from Finance by end of July

# Chapter 3

## E. OPERATIONAL SERVICES

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Source of Evidence	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental ISDBIP Comments	Departmental Corrective Measures
TL45	Operational Services	Infrastructure and bulk upgrades	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlogs, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Implement water losses initiatives in all towns	Number of reports	Management minutes	4	3	Accumulative	3	3	G	Target Achieved: Presented at Portfolio meeting 07.10.2015 Minutes of Portfolio Meeting Attached Pg 14-16 March: Reports Adopted by Management on 18 march 2016 - Ref: B77/2016 & B78/2016 June: Minutes of Management meeting 10 June 2016 pg.12-14. REF:B144/20 16 Minutes of Portfolio pg. 9-11 08 June 2016	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Source of Evidence	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL46	Operational Services	Infrastructure and bulk upgrades	Infrastructure and bulk upgrades, replacements and expansions in order to address infrastructure and bulk services backlog, make provision for developmental strategies and improve sustainability in the process	Basic Service Delivery	Develop scheduled maintenance programs per town with respect to water networks, sanitation networks, Roads & Stormwater, Sports and buildings.	Number of Maintenance Programs	Minutes of Portfolio	5	5	Accumulative	5	5	G	Target Achieved: August: Portfolio was held today 08.09.2015, minutes to follow.OP29/2015	
TL47	Operational Services	Implementation of Law Enforcement Strategy	Increased community safety through traffic policing, bylaw enforcement and disaster management	Basic Service Delivery	Submit quarterly progress reports on the implementation of the law enforcement strategy to the portfolio committee for public	Number of reports submitted	Minutes of Portfolio committee	4	3	Accumulative	3	3	G	Target Achieved: Minutes of Portfolio Meeting 7 October 2015 Attached Report submitted to Portfolio on the 3rd February 2016. REF:OP07/	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Source of Evidence	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
					safety									2016 Portfolio minutes 08 June 2016 attached. See Pg. 43-47. REF:OP33/2016	
TL48	Operational Services	Upgrading and maintaining of municipal sport fields/grounds	Creating and enabling environment favourable for economic and human development in a sustainable manner	Local Economic Development	Provision of Sport Facility Tesselaarsdal Phase 1	Completion Certificate and Progress Report	Completion Certificate and Progress Report	100%	100%	Carry Over	100 %	0%	R	Target Not Achieved: Minutes of portfolio meeting 08 June 2016 attached see pg 52-60. Report was submitted to Portfolio. Email correspondence and Spending to date attached. (June 2016)	Die doel van die verslag is omaan die Raad terugvoering te gee tot die vordering wat gemaak is met die opgradering van die Tesselaarsdal Sportfasiliteit projek, asook dat die Raad oorweging daaraansken om die gedeelte ongebruikte fondse wat vir die projek beskikbaar gestel was na die volgende finansiële jaar oor te plaas en dat die fondse met die aansuiweringsbeproting gedurende Augustus 2016 reggestel word. (June 2016)

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Source of Evidence	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL49	Operational Services	Implementation of Law Enforcement Strategy	Increased community safety through traffic policing, bylaw enforcement and disaster management	Basic Service Delivery	Establishment of community safety forum	Community Safety forums established	Signed TOR	2	2	Accumulative	2	2	G	Target Achieved: October: CSF has been established on the 3rd November and Terms of Reference were adopted(pls ask Alfra to provide you attendance register and maybe minutes - if they were taking them - to attach as evidence). November: TOR attached + Minutes and attendance Register- Community Safety Forums in Riviersonderend and Villiersdorp	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Source of Evidence	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL50	Operational Services	The replication of sustainable concepts and methodologies developed as part of the Grabouw Sustainable Development Initiative	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Submit report on VPUU	Quarterly report	Portfolio minutes	4	4	Accumulative	4	4	G	Target Achieved: August: Quarterly Report was tabled to Portfolio Committee on the 5th August; OP26/2015 October: Minutes of Porfolio Meeting 7 Oct 2015 Attached .Ref: OP38/2015 Quarterly report tabled and discussed at ACT meeting on the 21st October, letter for disbursement of DORA allocation signed off by MM and sent off to Province. 3rd quarter report tabled to Portfolio on the 3rd Feb.	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Source of Evidence	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
														REF:OP02/2016. The report was tabled at Portfolio 08 June 2016. ref: OP31/2016	
TL60	Operational Services	Continuous review of policies and delegations and by-laws	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Purchase of erven 279/811-Terselaarsdal Library	Council Approval	Minutes of Council Meeting	1	1	Carry Over	1	1	G	Target Achieved: August: Council approved the purchase of erven on the 27th August 2015. Ref: C136/2015	
TL77	Operational Services	Infrastructure and bulk upgrades	Good Governance and Improve the auditing status of the Municipality	Good Governance	100% Spending of capital grants and loans	% of Budget spent	Budget Recon	0%	0%	Carry Over	100 %	35%	R	KPI not Achieved: An amount of R4 638 774. were allocated to projects and R1 619 802. were spent for financial year.	The final spending amounts will only be available at end July 2016.

# Chapter 3

## F. DEVELOPMENT SERVICES

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL51	Development Services	Improved Communication and community involvement	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Quarterly report on NGO Forum initiatives	Number of Reports		3	0	Accumulative	0	0	N/A	KPI Removed	
TL52	Development Services	Implementation of the Human Settlements Program which includes programs such as IRDP, EHP & EPHP) & Provision and Implementation of serviced sites	To develop integrated and sustainable human settlements that will address the housing demand within the Theewaterskloof area	Basic Service Delivery	Implementation of Housing Pipeline	Quarterly report on Housing Pipeline to Housing Steering Committee	New	3	3	Accumulative	3	2	R	Target not Achieved: Report was presented on the 22 October 2015 The Meeting was held on the 21 January 2016.	No meetings were held in the 4th Quarter
TL53	Development Services			Basic Service Delivery	Reporting on status of conveyencing implementation plan	Number of reports submitted to Housing Steering Committee		3	3	Accumulative	3	2	R	Target not Achieved: The Report was presented on the 22 October 2015 The Meeting was held on the 21 January 2016.	No meetings were held in the 4th Quarter

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL54	Development Services	Implementation of the Human Settlements Program which includes programs such as IRDP, EHP & EPHP) & Provision and Implementation of serviced sites	To develop integrated and sustainable human settlements that will address the housing demand within the Theewaterskloof area	Basic Service Delivery	Draft Housing SOP (EHP Formal Housing)	SOP approved by Portfolio		3	1	Accumulative	1	1	G	Target Achieved: Management approved the Standard Operating Procedure for Emergency Housing relating to Formal dwelling.	
TL55	Development Services	Implementation of the Human Settlements Program which includes programs such as IRDP, EHP & EPHP) & Provision and Implementation of serviced sites	To develop integrated and sustainable human settlements that will address the housing demand within the Theewaterskloof area	Basic Service Delivery	Implementation of Housing Pipeline	% of budget(Capital & Operational) spent in line with Provincial allocation		100%	100%	Carry Over	100 %	65%	R	Target not Achieved: The total amount spent to date is R51 102m which is 65.28% of the total Budget (R78 276m) Calculation used is:(Total Budget of R78 276m/51 102m that is operational + capital) Refer to Section 2 for Capital and Section 6 for the Operational	The Percentage of the Grant spent reduced as a result of the increase in the adjustment Budget. Certain projects did not commence in this financial year as budgeted.

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL56	Development Services	Vigorous driving and management of projects of the financial sustainability steering committee	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Approval of Land Use Planning by-law inclusive of Integrated Zoning scheme by September 2015	Approved by-law	1	1	1	Carry Over	1	1	G	Target Achieved July: By - law published on 20 July 2015 in Provincial Gazette. Land Use Planning By-law was published in Provincial Gazette on 20 July 2015.	
TL57	Development Services	Vigorous driving and management of projects of the financial sustainability steering committee	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Draft TOR for the Land Use Tribunal	Approved TOR		1	1	Carry Over	1	1	G	Target Achieved: submitted and approved by management on the 20 May 2016. REF: M130/2016 (June 2016)	
TL58	Development Services	Vigorous driving and management of projects of the financial sustainability steering committee	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Establishment of Land Use Planning Tribunal	Council Approval		1	1	Carry Over	1	1	G	Target Achieved: July: Council approved Land use Tribunal on 17 June 2015.	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016					
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures	
TL59	Development Services	Continuous review of policies and delegations and by-laws	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Approve SLA with Cape Country Meander	Council Approval	New	1	0	Carry Over	0	0	N/A	KPI Removed		
TL61	Development Services	Infrastructure and bulk upgrades	Creating and enabling environment favourable for economic and human development in a sustainable manner	Basic Service Delivery	Extension 12 Infrastructure Contribution	Rand value contributed as per SLA		R 400,000	R 0	Carry Over	R 0	R 0	N/A	KPI Removed		
TL62	Development Services	Continuous review of policies and delegations and by-laws	Good Governance and Improve the auditing status of the Municipality	Good Governance	Adoption of Oversight report of Annual Report	Adoption of Oversight report of Annual report		1	1	1	Carry Over	1	1	G	Target Achieved: Oversight Report was adopted by Council on the 23 March 2016. (March 2016)	
TL69	Development Services	Implement the Youth Development Strategy in line with National programs such as EPWP, CWP and the youth entrepreneurial project	Creating and enabling environment favourable for economic and human development in a sustainable manner	Local Economic Development	Number of work opportunities created through LED (EPWP)	Progress Report	New	80	0	Accumulative	120	323	B	Target Well Achieved: Work Opportunities for the financial year were 323. Progress Report will go to District Municipality in July 2016.		

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL70	Development Services	Improved Communication and community involvement	Creating and enabling environment favourable for economic and human development in a sustainable manner	Local Economic Development	Establishment of NGO Forum	Approved TOR	New	1	1	Accumulative	1	0	R	Target not Achieved: The Terms of Reference to serve at Management Meeting scheduled for 24 June 2016. [D58] Manager: LED: It was resolved that the agenda item be withdrawn as requested by Acting Director: Development Services, Mrs. B Swartland. The TOR will be distributed again to all stakeholders for adoption and serve at management. (June 2016)	[D58] Manager: LED: It was resolved that the agenda item be withdrawn as requested by Acting Director: Development Services, Mrs. B Swartland. The TOR will be distributed again to all stakeholders for adoption and serve at management. (June 2016)
TL71	Development Services	Implementation of the Human Settlements Program which includes programs such as IRDP, EHP & EPHP) & Provision and Implementation of serviced sites	To develop integrated and sustainable human settlements that will address the housing demand within the Theewaterskloof area	Basic Service Delivery	Draft a SLA (Squatter)	Number of SLA's approved by Portfolio	New	1	0	Accumulative	1	1	G	Target Achieved: The Housing SLA (squatters) is approved	

# Chapter 3

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
											Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL72	Development Services	Establish an investor and developer institutional friendly environment within the Municipality	Creating and enabling environment favourable for economic and human development in a sustainable manner	Local Economic Development	Local Economic Development Open Day (Buy Local Campaign).	Database of Local Suppliers/manufacturers and tourism product owners.	New	1	0	Accumulative	1	1	G	Target Achieved: Open Day took place in the form of the Cape Country Connect on 13 April 2016 in Elgin Valley. It was attended by approximately 40 local suppliers and 60 product owners.	
TL78	Development Services	Day to Day Service Delivery	Improved Sustainable Financial Management of the Theewaterskloof Municipality and Execute Legislative requirements	Financial Viability	100% spending of capital grants and loans (R310 000.00)	% of budget spend		100%	0%	Carry Over	100 %	100 %	G	Target Achieved: R310 000.00 was budgeted and spend. Purchase house for Library - Tesselaarsdal	

# Chapter 3

## G. INTERNAL AUDIT

Ref	Directorate	Pre-determined Objectives	Strategic Objective	Municipal KPA	KPI	Unit of Measurement	KPI Owner	Baseline	Annual Target	Revised Target	KPI Calculation Type	Period-To-Date As At June 2016				
												Target	Actual	R	Departmental SDBIP Comments	Departmental Corrective Measures
TL63	Internal Audit	Work towards obtaining a clean audit	Good Governance and Improve the auditing status of the Municipality	Good Governance	Execute the Internal Audit Programme	Number of audits completed	Chief Audit Executive	39	33	33	Accumulative	33	38	G 2	Target Well Achieved	
TL64	Internal Audit	Work towards obtaining a clean audit	Good Governance and Improve the auditing status of the Municipality	Good Governance	Audit the action plan to address AG findings annually	Number of audits completed	Chief Audit Executive	1	2	2	Accumulative	2	2	G	Target Achieved: Report presented to Management on 29 January 2016 and to the PAC on 4 March 2016 (February 2016). Reported to management on 10 June 2016. M141/2016	

# Chapter 3

## COMPONENT A: BASIC SERVICES

This component includes: water; waste water (sanitation); electricity; waste management; and housing services; and a summary of free basic services.

Some of the challenges experienced are:

- Provision of basic services on a sustainable basis.
- Stimulating local economic development.
- Sound management of its financial affairs.
- Strengthening continued community participation in the affairs of Local Government.
- Provision of subsidised / low cost housing.
- Development of a social strategy.
- Growing population, unemployment and poverty.
- Continued reformation in local government.
- Backlog in infrastructure

### 3.1 WATER PROVISION

#### 3.1.1 INTRODUCTION TO WATER PROVISION

Theewaterskloof Municipality is the Water Service Authority for its service area. All residents in urban areas in the service area of the municipality have access to water services and free basic water is provided to all. It is however estimated that there might still be households on the farms in the rural areas with existing service levels below RDP standards. This estimate the service levels on the farms can only be verified through a detailed survey.

Ageing infrastructure remains one of the key focus areas for the municipality. In order to ensure that the water infrastructure delivers continues service provision in future; the Municipality compiled a pipe prioritization replacement programme. A further priority is to ensure that adequate services are available to enable future development. For this purpose master planning for water provision is kept up to date. Sourcing the required capital for extensions to water services infrastructure remains a challenge.

#### CONSERVATION AND DEMAND MANAGEMENT

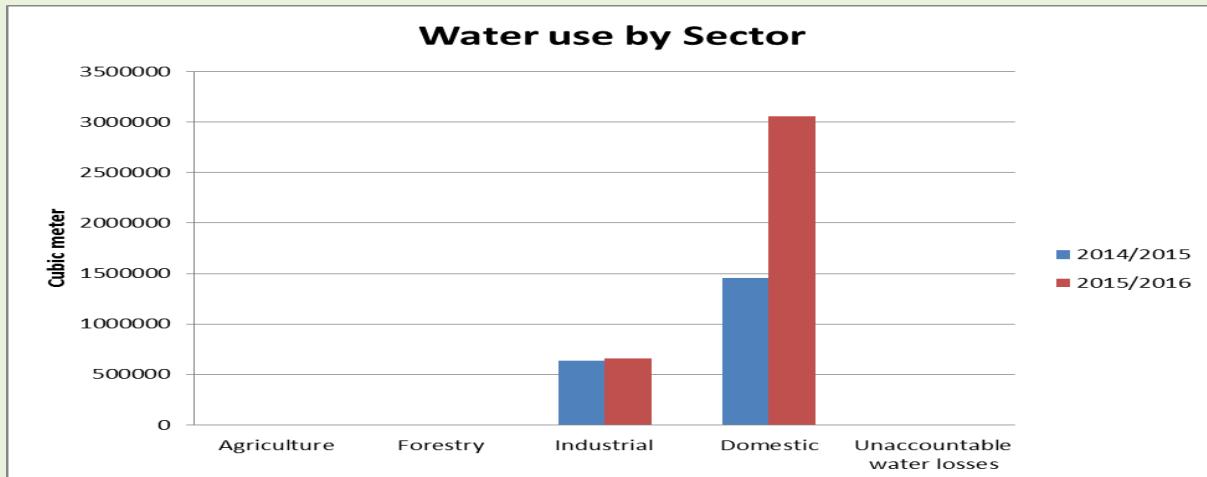
The municipality have compiled a Water Demand/Water Conservation action plan and water loss reduction plan and was adopted by Council. The purpose of the plan is to enhance the management of water services in order to achieve sustainable, efficient and 100% affordable services to all consumers.

The implementation of the plans does not only refer to measures that reduce water wastage and inefficient use, but also include measures to effectively manage and sustain efficiency targets. Some of the priority requirements are to install systems that measures and identify certain parameters such as minimum night flows and systems to enable detailed regular water audits and water balances.

# Chapter 3

## 3.1.2 INTRODUCTION TO WATER PROVISION

Total Use of Water by Sector (cubic meters)					
	Agriculture	Forestry	Industrial	Domestic	Unaccountable water losses
2014/2015	0	0	634772	1457030	22.5%
2015/2016	0	0	655166	3056110	25.8%



## 3.1.3 INTRODUCTION TO WATER PROVISION

The table below indicates the different water services delivery levels per household in all formal areas for the financial years 2012/13 to 2015/16:

Description	Households			
	Year - 2012/13	Year 2013/14	Year 2014/15	Year 2015/16
	Actual No.	Actual No.	Actual No.	Actual No.
<b>Water: (above min level)</b>				
Piped water inside dwelling	15 576	18 600	21 616	25 111
Piped water inside yard (but not in dwelling)	-	-	-	-
Using public tap (within 200m from dwelling)	6514	6514	4833	4634
Other water supply (within 200m)	0	0	0	0
<b>Minimum Service Level and Above sub-total</b>	22 090	25 114	26 449	29 745
<b>Minimum Service Level and Above Percentage</b>	99.7%	99.8%	100%	100%
<b>Water: (below min level)</b>				
Using public tap (more than 200m from dwelling)	0	0	0	0
Other water supply (more than 200m from	0	0	0	0

# Chapter 3

<b>dwelling</b>				
<b>No water supply</b>	61	61	0	0
<b>Below Minimum Service Level sub-total</b>	61	61	0	0
<b>Below Minimum Service Level Percentage</b>	0.3%	0.2%	0%	0%
<b>Total number of households*</b>	<b>22 151</b>	<b>25 175</b>	<b>26 449</b>	<b>29 745</b>
<b>* - To include informal settlements</b>				T3.1.3

## 3.1.4 HOUSEHOLD WATER SERVICE DELIVERY LEVELS BELOW MINIMUM

### Households - Water Service Delivery Levels below the minimum

Description	Households					
	`2012/13		`2013/14		`2014/15	
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
<b>Formal Settlements</b>						
<b>Total households</b>	22 151	25 175	26 449	29 745	29 745	29 745
<b>Households below minimum service level</b>	0	0	0	0	0	0
<b>Proportion of households below minimum service level</b>	0%	0%	0%	0%	0%	0%
<b>Informal Settlements</b>						
<b>Total households</b>	6514.00	6514.00	4833.00	4740.00	4740.00	4740.00
<b>Households below minimum service level</b>	0.00	0.00	0.00	0.00	0.00	0.00
<b>Proportion of households below minimum service level</b>	0%	0%	0%	0%	0%	0%
						T3.1.4

## 3.1.5 ACCESS TO WATER

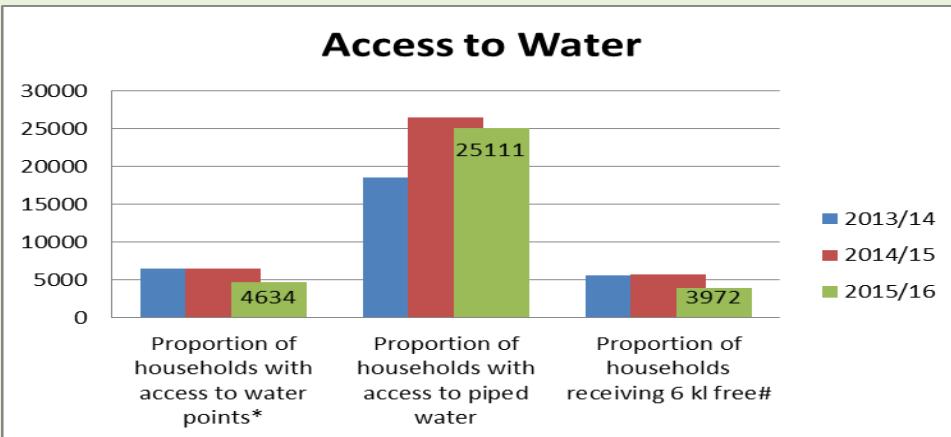
### Access to Water

	Proportion of households with access to water points*	Proportion of households with access to piped water	Proportion of households receiving 6 kl free#
<b>2013/14</b>	6514	17815	5642
<b>2014/15</b>	6514	17815	5719
<b>2015/16</b>	4634	21000	3972

\* Means access to 25 litres of potable water per day supplied within 200m of a household and with a minimum flow of 10 litres per minute

# 6,000 litres of potable water supplied per formal connection per month

# Chapter 3



## 3.1.6 EMPLOYEES WATER SERVICES

Job Level	Year 2014/15		Year 2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
				No.		
0 - 3	16	16	16	0	0%	
4 - 6	12	12	12	-	0%	
7 - 9	6	6	6	0	0%	
10 - 12	3	3	3	2	67%	
13 - 15	-	-	-	-	-	
16 - 18	-	-	-	-	-	
19 - 20	-	-	-	-	-	
<b>Total</b>	<b>37</b>	<b>37</b>	<b>37</b>	<b>2</b>	<b>5%</b>	

# Chapter 3

## 3.1.7 FINANCIAL PERFORMANCE: WATER SERVICES

Details	Financial Performance: Water Distribution					R'000
	Year 2014/15	Year 2015/16		Actual	Variance to Budget	
Total Operational Revenue	(45,445)	(60,848)	(51,135)	(52,073)	2%	
Expenditure:						
Employees	7,112	7,527	7,816	7,943	2%	
Repairs and Maintenance	3,037	3,786	3,624	3,545	-2%	
Other	27,778	32,337	31,796	30,535	-4%	
Total Operational Expenditure	37,927	43,650	43,236	42,023	-3%	
Net Operational Expenditure	(7,518)	(17,198)	(7,900)	(10,049)	27%	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.1.8

## 3.1.8 CAPITAL EXPENDITURE: WATER SERVICES

Capital Projects	Capital Expenditure Year: Water Distribution					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	4,526	10,652	6,581	-38%		
New water connector pipe, Phukom housing, V'D	500	1,432	1,432	0%		
Nuwe Steenbras Reservoir, G'B	—	1,017	—			
Upgrade Bulk Water Storage Capacity - New Reservoir, RSE	3,526	4,119	2,384	-42%		
Repair and Replace Water pre-paid meters	500	4,083	2,765	-32%		
Basic Services	—	—	—			
<i>Total project value represents the estimated cost of the project on approval by council</i>						T3.1.9

# Chapter 3

## 3.1.9 COMMENT ON WATER SERVICE PERFORMANCE OVERALL

All residents on formal erven in the urban areas of Theewaterskloof Municipality's Management Area have access to water services and free basic water is provided to all indigent households. Households in informal areas are provided with communal services as an intermediary measure. There are only two informal areas in Villiersdorp without any basic water or sanitation services (communal taps and ablution facilities). It is also estimated that there might still be households on the farms in the rural areas with existing service levels below RDP standards, which can only be verified through a detail survey. Theewaterskloof Municipality is committed to ensure that private landowners provide at least basic water and sanitation services to those households in the rural areas with existing services below RDP standard once clear and practical policy guidelines are made available from the DWS and funding is made available.

Theewaterskloof Municipality's Maintenance Team mainly performs their own repair and preventative maintenance work to the equipment and infrastructure of the Municipality, except when specialized repair work is required, in which case the work is sub-contracted to approved sub-contractors on the municipal database.

Water Safety Plans for the various distribution systems are in place. The Water Safety Plan Team of Theewaterskloof Municipality is committed to meet regularly to review the implementation of all the aspects of the Water Safety Plan to ensure that they are still accurate and to determine whether the field assessments need updates or modifications and whether the Incident Response Management Protocol is still adequate. In addition to the regular three year review, the Water Safety Plan will also be reviewed when, for example, a new water source is developed, major treatment improvements are planned and brought into use, or after a major incident.

A detailed risk assessment was executed. This step of the Water Safety Plan establishes the risk that the water quality standard will not be met as well as the consequences if the standard is not complied with. All the potential hazards and hazardous events were identified. The impact of each of the hazards or hazardous events was characterized by assessing the severity of the likely health outcome and the probability of occurrence. An Improvement / Upgrade Plan was compiled for all the existing significant risks, where the existing controls were not effective or absent. Each identified improvement was linked to one of the Water Safety Plan Team members to take responsibility for implementation together with an appropriate time frame for implementation of these controls.

Incident Response Management Protocols are in place and forms part of Theewaterskloof Municipality's Water Safety Plan. The Incident Response Management Protocol entails that certain reactive procedures are followed when an incident occurs, such as a water quality failure, pipe burst or pump failure.

# Chapter 3

## 3.2 WASTE WATER (SANITATION) PROVISION

### 3.2.1 INTRODUCTION TO SANITATION PROVISION

Sewer is conveyed to the treatment facilities either by a water borne collector system or vacuum tanker service. Sewer services are available throughout the whole service area of the Theewaterskloof Municipality and free basic sewer services are provided to registered indigent households. Ensuring that sufficient treatment capacity is available for present and future demand is a key focus area for the municipality. The municipality is also thriving to comply as best to the Green drop standards as set out by the Department of Water and Sanitation. Upgrading of waste water treatment facilities is multiyear projects

All the formal households in the urban areas are provided with sanitation facilities inside the house (higher level of service). A communal ablution facility is provided in the informal areas as a temporary emergency service and is above minimum standards.

### 3.2.2 SANITATION SERVICE DELIVERY LEVELS

Sanitation Service Delivery Levels

Description	*Households			
	Year - 2012/13	Year 2013/14	Year 2014/15	Year 2015/16
	Outcome	Outcome	Outcome	Actual
	No.	No.	No.	No.
<b><u>Sanitation/sewerage: (above minimum level)</u></b>				
Flush toilet (connected to sewerage)	24 111	11 694	21 616	22 820
Flush toilet (with septic tank)	5 757	5 707	4 833	1 304
Chemical toilet				
Pittoilet (ventilated)				
<b><u>Other toilet provisions (above min service level)</u></b>				
Minimum Service Level and Above sub-total	29 868	17 401	26 449	24 124
Minimum Service Level and Above Percentage	98.4%	71.3%	100.0%	88%
<b><u>Sanitation/sewerage: (below minimum level)</u></b>				
Bucket toilet				
Other toilet provisions (below min.service level)		6514	0	4634
No toilet provisions	475	475	0	
<b><u>Below Minimum Service Level sub-total</u></b>	475	6 989	0	3 310
<b><u>Below Minimum Service Level Percentage</u></b>	1.6%	28.7%	0.0%	12%
Total households	<b>30 343</b>	<b>24 390</b>	<b>26 449</b>	<b>27 434</b>

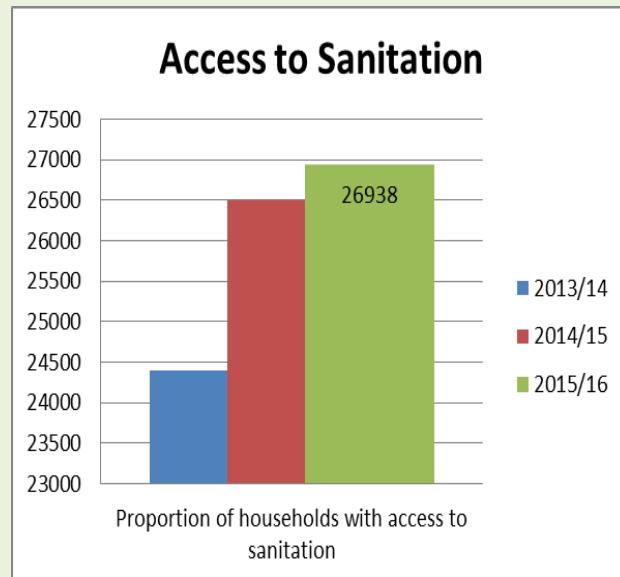
# Chapter 3

## 3.2.3 HOUSEHOLD: SANITATION SERVICE DELIVERY LEVELS BELOW MINIMUM

Description	Households			
	2012/13	2013/14	2014/15	2015/16
	Actual No.	Actual No.	Actual No.	Actual No.
Formal Settlements	-	-	-	-
Total households	30 343	24 390	21 616	21 000
Households below minimum service level	475	6 989	0	3 310
Proportion of households below minimum service level	1.6%	28.7%	0%	12%
Informal Settlements	-	-	-	-
Total households	6 514	6 514	4 833	4 634
Households below minimum service level	0	0	0	0
Proportion of households below minimum service level	0%	0%	0%	0%

# Chapter 3

## 3.2.4 ACCESS TO SANITATION



Access to Sanitation	
Proportion of households with access to sanitation	
2013/14	24307
2014/15	26449
2015/16	26938

## 3.2.5 EMPLOYEES: SANITATION

Job Level	Employees: Sanitation Services (SEWERAGE PURIFICATION)					
	2014/15		2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
No.	No.	No.	No.	No.	%	
0 - 3	22	22	22			0%
4 - 6	6	6	6			0%
7 - 9	4	4	3	1	25%	
10 - 12	2	2	2			0%
13 - 15	1	1	1			0%
16 - 18	-	-	-	-	-	-
19 - 20	-	-	-	-	-	-
Total	35	35	34	1	3%	

# Chapter 3

## 3.2.6 FINANCIAL PERFORMANCE: SANITATION SERVICES

Financial Performance : Waste Water Management						R'000
Details	2014/15	2015/16				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	(25,581)	(26,789)	(28,081)	(30,289)	8%	
Expenditure:						
Employees	6,642	7,282	7,833	7,915	1%	
Repairs and Maintenance	3,612	3,998	4,277	4,038	-6%	
Other	15,579	14,892	15,070	16,562	10%	
<b>Total Operational Expenditure</b>	25,833	26,171	27,180	28,515	5%	
<b>Net Operational Expenditure</b>	252	(618)	(901)	(1,774)	97%	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.2.8

## 3.2.7 CAPITAL EXPENDITURE: SANITATION SERVICES

Capital Expenditure: Waste Water Management						R' 000
Capital Projects	Year 2015/16					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
<b>Total All</b>	22,500	21,767	18,857	-13%		
Grabouw Waste Water Treatment Plant	4,000	4,914	4,265	-13%		
Upgrading of Villiersdorp Waste Water Treatment Works	2,500	4,249	4,249	0%		
Upgrading of Caledon Waste Water Treatment Works	500	500	373	-25%		
Upgrade Main Outfall Sewer Caledon	3,000	541	541	0%		
Upgrade Main Outfall Sewer Villiersdorp	12,500	11,564	9,429	-18%		
Basic Services - Site Saviwa	—	—	—			
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T3.2.9

# Chapter 3

## SANITATION SERVICES PERFORMANCE OVERALL

The upgrading of Grabouw, Villiersdorp and Caledon waste water treatment plants is a priority as the current plants have reached capacity. This can cause a blockage in the development of towns. The upgrading of the main outfall sewer in Caledon and Villiersdorp is also a priority to prevent any blockages of the development of the towns due to capacity constraints.

These projects are multiyear projects and are budgeted for.

T 3.2.10

# Chapter 3

## 3.3 ELECTRICITY

The Electrical Department is committed to supply existing and new customers with electrical energy of acceptable quality in a safe and sustainable way.

The electrification of Site Saviwa phase 2 and the 251 houses in Villiersdorp was completed.

The first phase of 189 connections for informal housing in Riemvasmaak was completed.

The project to connect a further 370 shacks and upgrade the infrastructure to the area commenced in July 2017.

Application is made to DoE for funds to service the new housing development on Destiny Farm Villiersdorp.

Upgrades to network by installing a new 185mm<sup>2</sup> 11kv cable between Aandblom substation and Veldblom substation was completed during the financial year. Projects to upgrade certain sections of existing networks in Villiersdorp, Caledon , Greyton and Rivieronderend was completed.

New projects for 2017/18 will be high mast lighting in Grabouw and Villiersdorp as well as the upgrade of the 11kV network in Greyton, Rivieronderend and Caledon . Maintenance remains priority.

Eskom is delivering the service in towns of Grabouw, Botriver, Genadendal and Tesselaarsdal.

T 3.3.1

### 3.3.1 ELECTRICITY SERVICE DELIVERY LEVELS

Description	Electricity Service Delivery Levels			
	Households			
	Year - 2012/13	Year 2013/14	Year 2014/15	Year 2015/16
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<u>Energy: (above minimum level)</u>				
<b>Electricity (at least min.service level)</b>	2 159	1 174	188	188
<b>Electricity - prepaid (min.service level)</b>	3 101	4 864	7 122	6 383
<b>Minimum Service Level and Above sub-total</b>	5 260	6 038	7 310	6 571
<b>Minimum Service Level and Above Percentage</b>	100.0%	100.0%	87.1%	85.8%
<u>Energy: (below minimum level)</u>				
<b>Electricity (&lt; min.service level)</b>				
<b>Electricity - prepaid (&lt; min. service level)</b>				
<b>Other energy sources</b>			1084	1084
<b>Below Minimum Service Level sub-total</b>	0	0	1084	1084
<b>Below Minimum Service Level Percentage</b>	0.0%	0.0%	12.9%	14.2%
Total number of households	5 260	6 038	8 394	7 655
				T3.3.3

# Chapter 3

## 3.3.2 EMPLOYEES ELECTRICITY SERVICES

Employees: Electricity Services					
Job Level	2014/15	2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)
	No.	No.	No.	No.	%
0 - 3	9	9	9		0%
4 - 6	1	1	1		0%
7 - 9	2	2	1	1	50%
10 - 12	6	6	6		0%
13 - 15	1	1	1		0%
16 - 18	1	1	1		0%
19 - 20	-	-	-	-	-
Total	20	20	19	1	5%

## 3.3.3 FINANCIAL PERFORMANCE: ELECTRICITY SERVICES

Details	Financial Performance : Electricity Distribution					R'000	
	'2014/15		'2015/16				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget		
<b>Total Operational Revenue</b>	(75,847)	(83,198)	(84,466)	(82,783)		-2%	
Expenditure:							
Employees	4,793	5,012	4,995	5,283		6%	
Repairs and Maintenance	1104	2,894	1,646	1,541		-6%	
Other	47,413	59,214	59,728	57,183		-4%	
<b>Total Operational Expenditure</b>	53,310	67,121	66,368	64,006		-4%	
<b>Net Operational Expenditure</b>	(22,537)	(16,077)	(18,098)	(18,777)		4%	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.3.7	

# Chapter 3

## 3.3.4 CAPITAL EXPENDITURE: ELECTRICITY SERVICES

Capital Projects	2015/16					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	11,450	13,537	12,756	-6%		
Replace switch station c/o Human & V Riebeeck street, Caledon	720	806	720	-11%		
New Cable between Aandblom & Veldblomtuin sub-stations, Caledon	3,000	2,278	2,277	0%		
Infrastructure: Santa, Site Saviva, Riervasmaak, Caledon	5,000	3,027	3,015	0%		
Upgrade overhead line, Caledon & Unie Avenue, Villiersdorp	500	532	388	-27%		
High mast/Street lights, Villiersdorp	415	550	516	-6%		
Installation of services Erf 24, 251 Houses electrification, Villiersdorp	—	3,353	3,137	-6%		
MV Feeder cable, Villiersdorp	—	854	850	-1%		
Streetlights, Botrivier	—	180	176	-2%		
Upgrade Network, Main Street, Genadendal & Greyton	800	1,028	798	-22%		
High mast/Street lights, Grabouw	415	415	414	0%		
Upgrading Buitekant Street, Phase II, RSE	600	514	465	-10%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.3.8	

# Chapter 3

## 3.4 WASTE MANAGEMENT (THIS SECTION TO INCLUDE: REFUSE COLLECTION, WASTE DISPOSAL, CLEANING AND RECYCLING)

### 3.4.1 INTRODUCTION TO WASTE MANAGEMENT

Theewaterskloof Municipality is committed to a system of waste management that will see the least possible amount of waste going to modern engineered landfills. This will be achieved through the use of education, law enforcement and material recovery and treatment plants. New and emerging technologies, where applicable and affordable, will also play a part in overall waste management.

The analysis of the current waste management system has shown the following:

- all formal residential erven are receiving a weekly door-to-door waste collection service
- all collected municipal waste in the Riviersonderend service area is disposed at the municipality's unlicensed waste disposal site in Riviersonderend
- all collected municipal waste in the Genadendal and Greyton service areas are disposed at the municipality's unlicensed Genadendal and Greyton waste disposal sites
- all collected waste in Caledon, Tesselaarsdal and Botrivier are disposed at the municipality's licensed Caledon landfill
- all collected waste in Grabouw, Villiersdorp as well as the waste from the Public Drop-off in Botrivier are disposed at the municipality's licensed Caledon landfill
- waste recovery is not currently done
- waste avoidance is not currently addressed
- Caledon landfill, Villiersdorp and Grabouw Transfer Stations are currently externally audited for permit compliance
- the Villiersdorp landfill has been closed, but not yet rehabilitated
- new by-laws on waste management in progress

Greyton, Genadendal, Riviersonderend and Botriver landfills are currently undergoing licensing.

Refuse collection from all households is sufficient except for farms.

External Service provider is used to collect waste from Grabouw, Villiersdorp, Botrivier and Tesselaarsdal and delivered to caledon Landfill. All other dumping of waste is done internally.

# Chapter 3

Top priorities for Waste Management is the rehabilitation of unlicensed landfill sites at Rivieronderend, Greyton and Genadendal, and the establishment of Transfer stations at these 3 towns. Waste avoidance through education and public awareness is also listed as a top priority. A leachate dam has been constructed at Caledon Landfill, internal and external audits are done at Caledon landfill, Grabouw transfer station and Villiersdorp Transfer station.

## 3.4.2 SOLID WASTE SERVICE DELIVERY LEVELS

Solid Waste Service Delivery Levels				
Description	Households			
	2012/13	2013/14	2014/15	2015/16
	Actual	Actual	Actual	Actual
	No.	No.	No.	No.
<b>Solid Waste Removal: (Minimum level)</b>				
Removed at least once a week	21 324	24 298	26 449	26 938
Minimum Service Level and Above sub-total	21 324	24 298	26 449	26 938
Minimum Service Level and Above percentage	100.0%	100.0%	100.0%	100.0%
<b>Solid Waste Removal: (Below minimum level)</b>				
Removed less frequently than once a week	0.82	0.82	0.82	0.82
Using communal refuse dump	1.37	1.37	1.37	1.37
Using own refuse dump	6.82	6.82	6.82	6.82
Other rubbish disposal				
No rubbish disposal	0.38	0.38	0.38	0.38
<b>Below Minimum Service Level sub-total</b>	9.38	9.39	9.39	9.39
<b>Below Minimum Service Level percentage</b>	0.0%	0.0%	0.0%	0.0%
<b>Total number of households</b>	<b>21 333</b>	<b>24 307</b>	<b>26 458</b>	<b>26 947</b>

## 3.4.3 HOUSEHOLDS: SOLID WASTE SERVICE DELIVERY LEVELS BELOW MINIMUM

Households - Solid Waste Service Delivery Levels below the minimum						
Description	2012/13	2013/14	2014/15	Households		
	Actual	Actual	Actual	Original Budget	Adjusted Budget	Actual
	No.	No.	No.	No.	No.	No.
<b>Formal Settlements</b>						
<b>Total households</b>	19 196	21 324	21 616	26 938	26 938	26 938
<b>Households below minimum service level</b>	-	-	-			
<b>Proportion of households below minimum service level</b>	0%	0%	0%	0%	0%	0%
<b>Informal Settlements</b>						
<b>Total households</b>	19 196	21 324	21 616	26 938	26 938	26 938
<b>Households below minimum service level</b>						
<b>Proportion of households below minimum service level</b>	0%	0%	0%	0%	0%	0%

# Chapter 3

## 3.4.4 EMPLOYEES SOLID WASTE MANAGEMENT (STREET CLEANSING)

Job Level	'2014/15		'2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
		No.	No.	No.	%	
0 - 3	61	68	65	3	4%	
4 - 6	11	11	11	-	0%	
7 - 9	16	16	16	-	0%	
10 - 12	1	1	1	-	0%	
13 - 15	-	-	-	-	-	
16 - 18	-	-	-	-	-	
19 - 20	-	-	-	-	-	
Total	89	96	93	3	3%	

## 3.4.5 EMPLOYEES SOLID WASTE MANAGEMENT (DUMPING SITE)

Job Level	'2014/15		'2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
		No.	No.	No.	%	
0 - 3	4	6	5	1	17%	
4 - 6	0	0	1	0	0%	
7 - 9	1	1	1	0	0%	
10 - 12	-	-	-	-	-	
13 - 15	-	-	-	-	-	
16 - 18	-	-	-	-	-	
19 - 20	-	-	-	-	-	
Total	5	7	7	1	14%	

# Chapter 3

## 3.4.6 FINANCIAL PERFORMANCE: WASTE MANAGEMENT SERVICES

Financial Performance : Solid Waste Management Services						R'000
Details	2014/15	2015/16				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	(26,211)	(34,812)	(30,989)	(31,186)	1%	
Expenditure:						
Employees	10,542	11,743	11,796	11,741	0%	
Repairs and Maintenance	1,269	1,666	1,927	1,694	-12%	
Other	14,897	17,904	16,855	30,575	81%	
<b>Total Operational Expenditure</b>	26,708	31,313	30,577	44,010	44%	
<b>Net Operational Expenditure</b>	496	(3,500)	(411)	12,825	-3217%	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.4.7

## 3.4.7 FINANCIAL PERFORMANCE: WASTE MANAGEMENT SERVICES

Capital Expenditure : Waste Management Services						R' 000
Capital Projects	2015/16					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	3,000	3,000	3,000	-		
Extention of Waste Transfer Station, Grabouw	3,000	3,000	3,000			
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T3.4.9

### COMMENT ON WASTE MANGEMENT SERVICE PERFORMANCE OVERALL:

Waste Management service had only one large capital project as indicated in the table above, the extension of the Grabouw Waste Transfer Station. The project value was estimated at R3m and by financial year end the project was completed and the full budgeted amount was spent.

T 3.4.10

# Chapter 3

## 3.5 HOUSING

### 3.5.1 INTRODUCTION TO HOUSING

The Housing Department is responsible for developing Sustainable Integrated Human Settlements in the Theewaterskloof Municipal Area. Due to limited funding sources and the growing demand for housing opportunities the department is focusing on the incremental upgrading of informal settlement through the provision of basic services.

### 3.5.2 SUMMARY OF HOUSES BUILT

The table below indicates the summary of houses built and also reveals the losing battle faced by the municipality in providing housing as the waiting list continues to increase.

Year end	Number of Housing Units on Waiting list	Number of Houses built	Number of serviced sites
2012/13	13681	180	694
2013/14	13741	385	583
2014/15	12912	400	251
2015/16	10727	473	134

The rapid increase in the demand and the continuous growth of informal settlements indicates the amount houses delivered annually cannot address the growth in the housing demand.

### 3.5.3 EMPLOYEES: HOUSING SERVICES

Job Level	Employees: Housing Services					
	2014/15		2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
0 - 3	-	-	-	-	-	
4 - 6	-	-	-	-	-	
7 - 9	3	3	3	-	0%	
10 - 12	9	9	9	-	0%	
13 - 15	-	-	-	-	-	
16 - 18	-	1	1	-	0%	
19 - 20	-	-	-	-	-	
Total	12	13	13	0	0%	

# Chapter 3

## 3.5.4 HOUSING SERVICES

PROJECTS	Outline Service Targets	Housing Service Policy Objectives Taken From IDP							
		Year 12/13		Year 13/14		Year 14/15		Year 15/16	
		Target	Actual	Target	Actual	Target	Actual	Target	Actual
Riviersonderend	914	-	-	-	-	-	-	-	-
Genadendal/Greyton	939	-	-	-	-	-	-	-	-
Caledon	2436	-	-	89	89	99	98	32	-
Villiersdorp	2582	70	38	251	225	26	-	26	13
Botrivier	1006	45	-	45	42	184	184	-	-
Grabouw	5194	337	214	123	123	246	118	128	104
Tesselaarsdal	116	-	-	-	-	-	-	-	-

## 3.5.5 FINANCIAL PERFORMANCE: HOUSING SERVICES

Details	Financial Performance: Housing Services					R'000	
	2014/15		2015/16				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget		
<b>Total Operational Revenue</b>	(59,099)	(63,643)	(86,266)	(50,823)	-41%		
Expenditure:							
Employees	3,821	4,108	3,695	3,921	6%		
Repairs and Maintenance	4	8	8	3	-64%		
Other	29,888	56,197	76,111	44,634	-41%		
<b>Total Operational Expenditure</b>	33,712	60,312	79,814	48,557	-39%		
<b>Net Operational Expenditure</b>	(25,387)	(3,331)	(6,452)	(2,266)	-65%		
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.5.5	

# Chapter 3

## 3.5.6 CAPITAL EXPENDITURE: HOUSING SERVICES

Capital Projects	2015/16					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	8,900	11,682	7,069	-39%		
Low Cost Housing	8,900	11,682	7,069	-26%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						T3.5.6

### COMMENT ON THE PERFORMANCE OF THE HOUSING SERVICE OVERALL:

Repairs and Maintenance: New vehicles were acquired and repairs and maintenance was included in the maintenance plan of the vehicle.

Other: Expenditure was expenditure for protective clothing and was included in the 2016/2017 financial year.

T 3.5.7

# Chapter 3

## 3.6 FREE BASIC SERVICES AND INDIGENT SUPPORT

### 3.6.1 INTRODUCTION TO FREE BASIC SERVICES AND INDIGENT SUPPORT

The following table indicates the percentage of indigent households that have access to free basic municipal services. In accordance with the approved indigent policy of the municipality the following qualifying criteria apply: a household where the combined or joint gross income of all occupants/residents/dependents, over the age of 18 years or who have potential earning capacity, is less than twice the monthly pension grant and can no longer afford to pay for the services provided by the council (subject to verification by Ward Councillor in consultation with the Ward Committee).

The "Spouse support/Care Grant" or "Child support Grant" should not be added to the Indigent Qualifying income threshold. The municipality provides the following Free Basic Services to indigent households:

Water: 6kl (all households)

Electricity: 70kwh

Weekly refuse Removal

Free Sanitation

The table below indicates the number of households that have access to free basic services:

Free Basic Services To Low Income Households									
	Total	Number of households							
		Households earning less than R3 040 per month (Registered Indigents)							
		Total	Access	%	Access	%	Access	%	Access
2013/14	28,884	3588	3101	86%	2290	64%	1571	44%	3105
2014/15	28,884	3599	1231	34%	3478	97%	1774	49%	3578
2015/16	28,884	4225	3972	94%	4151	98%	1842	44%	4215
T 3.6.3									100%

Please note that TWK Municipality does not provide Electricity in all 8 towns - Eskom provide in Grabouw, Genadendal, Botriver and Tessaelaarsdal.

### 3.6.2 FINANCIAL PERFORMANCE: FREE BASIC SERVICES DELIVERED

Financial Performance: Cost to Municipality of Free Basic Services Delivered					
Services Delivered	R '000				
	2014/15		2015/16		
	Actual	Budget	Adjustment	Budget	Actual
Water	1,474	7,594	3,294		1,769
Waste Water (Sanitation)	4,386	5,933	5,933		5,320
Electricity	3,422	2,562	2,062		3,499
Waste Management (Solid Waste)	4,716	2,062	5,140		5,975
Total	13,998	18,151	16,429		16,564
					T3.6.4

# Chapter 3

## 3.6.3 COMMENT ON FREE BASIC SERVICES AND INDIGENT SUPPORT

In line with the objective of creating a vibrant and growing Municipality, the indigent policy is also aligned to the principles of Batho-Pele. Batho-Pele is also about ensuring that the resources available are used to the best possible extent, eliminating wasteful and expensive procedures and reducing unnecessary expenditure on inefficient processes and systems.

The extent of the monthly support will be determined by the council's budgetary provisions and/or the amount received from central government. The relevant services include:

- water
- refuse collection
- electricity
- sewerage

The first R100 000 of the value of an indigent house is exempt from property rates

The council will assess the level of support annually during the annual budget compilation and the level of indigent support shall not exceed the monthly billings to the account.

Water leakages at indigent households premises will be fixed by Council at no cost provided that leaks are reported (completing of a leaks register at the local town office)

Sewerage blockages may be effected free of charge for indigent households.

Pre-paid electricity and water flow limited meters were installed for indigent households at no cost to the consumer.

The free basic services were funded from the "equitable share" grant received from National Treasury plus an amount from the municipality's own income as budgeted for in the financial year under review.

Indigent Costs			
Services	Tariff	Equitable share allocation	Total Cost per Indigent
<b>Sewerage</b>	111.84	80.41	31.43
<b>Water</b>	107.13	99.75	7.38
<b>Electricity (70 units free)</b>	97.12	66.19	30.93
<b>Refuse</b>	123.86	67.41	56.45
<b>Total Cost</b>	<b>439.948</b>	<b>313.76</b>	<b>126.19</b>

The table above clearly indicates that the cost to deliver free basic service exceeds the funding received from National Treasury. The municipality is subsidizing indigent household with R126.19 per household. This demonstrates and confirm our view that the equitable share formula must be reviewed.

# Chapter 3

## COMPONENT B: ROAD TRANSPORT

This component includes: roads; transport; and waste water (stormwater drainage).

### 3.7 ROADS

#### 3.7.1 INTRODUCTION TO ROADS

The municipality have the mandate from Government to perform all relevant services regarding roads and stormwater in those areas included within its jurisdiction. Roads outside the town areas are still the responsibility of the Overberg District Municipality.

The municipality have updated its Pavement Management System (PMS) and the system is used as a network level tool.

Due to ageing of current infrastructure the focus has shifted from only upgrading of roads from gravel to paved, and now also includes rehabilitation, resealing and maintenance projects funded out of capital funding.

Roads are being upgraded on a contract basis. A five year maintenance programme with priorities and budgets is available in the PMS as well as Integrated Transport Plan. There is little provision for pedestrian and bicycle travel in the municipal area apart from conventional sidewalks in the central business districts. There are no facilities on rural roads for non-motorized transport.

# Chapter 3

## 3.7.2 GRAVEL ROAD INFRASTRUCTURE

Gravel Road Infrastructure					Kilometres
	Total gravel roads	New gravel roads constructed	Gravel roads upgraded to tar	Gravel roads graded/maintained	
Year 2013/14	96	0	0	96.4	
Year 2014/15	98.80		0.80	98.0	
Year 2015/16	98.00	0.00	0.00	98.0	T3.7.2

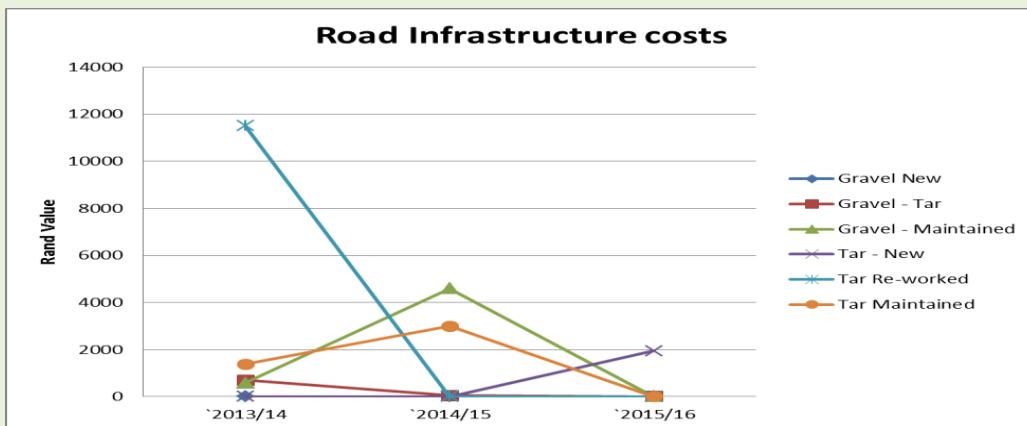
## 3.7.3 TARRED ROAD INFRASTRUCTURE

Tarred Road Infrastructure						Kilometres
	Total tarred roads	New tar roads	Existing tar roads re-tarred	Existing tar roads re-sheeted	Tar roads maintained	
2013/14	164	0.3	7	0		
2014/15	161	0	0	2	80	
2015/16	161	3	0	0	Operations	T3.7.3

## 3.7.4 COST OF CONSTRUCTION/MAINTENANCE

Cost of Construction/Maintenance							R' 000
	Gravel			Tar			
	New	Gravel - Tar	Maintained	New	Re-worked	Maintained	
2013/14	0	700	591	0	11500	1379	
2014/15	0	50	4600	0	0	3000	
2015/16	0	0	Operations	1941	0	Operations	T3.7.4

## 3.7.5 ROAD INFRASTRUCTURE COSTS



# Chapter 3

## 3.7.6 EMPLOYEES: ROAD SERVICES

Job Level	Employees: Road Services					
	'2014/15		'2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	39	41	41		0%	
4 - 6	8	8	8		0%	
7 - 9	4	4	4		0%	
10 - 12	3	2	1	1	50%	
13 - 15	-	-	-	-	-	
16 - 18	-	-	-	-	-	
19 - 20	-	-	-	-	-	
Total	54	55	54	1	2%	

## 3.7.7 FINANCIAL PERFORMANCE: ROAD SERVICES

Details	Financial Performance : Road Services					R'000
	2014/15	2015/16				
		Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	(5,078)	(5,609)	(6,555)	(5,423)		-17%
Expenditure:						
Employees	13,687	15,446	15,099	14,814		-2%
Repairs and Maintenance	7,618	7,002	7,142	6,577		-8%
Other	7,395	8,941	8,917	7,386		-17%
<b>Total Operational Expenditure</b>	28,700	31,389	31,159	28,777		-8%
<b>Net Operational Expenditure</b>	23,621	25,780	24,603	23,354		-5%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget					T3.7.8	

# Chapter 3

## 3.7.8 CAPITAL EXPENDITURE: ROAD SERVICES

Capital Projects	Capital Expenditure: Road Services					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	3,800	3,929	3,518	-10%		
Access Road,Tesselaarsdal	800	—	—			
Tesselaarsdal Stormwater	—	1,746	1,535	-12%		
New Storm Water Infrastructure, Phukom,Villiersdorp	3,000	183	183	0%		
Upgrading Roads Infrastructure - Greyton	—	2,000	1,800	-10%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>					T3.7.9	

## 3.7.9 COMMENT ON THE PERFORMANCE OF ROADS OVERALL

Different road sections require different types of maintenance varying from routine and normal to heavy rehabilitation. Possible project types range from routine maintenance (e.g. patching), to normal maintenance (resurfacing) through to heavy rehabilitation (e.g. thick overlays and reconstruction).

With the limited funds available it is important that these funds be spent at the right place at the right time to ensure optimum use of funds. The use of PMS is generally accepted as essential for determining the maintenance and upgrading needs/programmes for pavements in a network of roads.

These programmes provide a good assessment of the total funds required to meet the maintenance needs of the network and, in most cases, of the type of maintenance required. **The needs of individual projects should, however, be verified by further investigation to allow for additional unrecorded factors.**

The total length of the paved network is 171.9km (166km tar, 5.7km block paving and 0.2km concrete pavements) with an estimated replacement value of R582.7 million. The average condition of **the network can be rated as poor**, with 29% of the surfacing and 24% of the structure in the poor to very poor category. **Roads that have been upgraded from gravel to Paved roads in the 2015/16 financial year are Park Street (approximately 1km) in Greyton and various roads (6500m<sup>2</sup>) in Botrivier at the Housing Development.**

The estimated Funding Backlog on the bituminous pavements at this stage is R 120 million with the following immediate needs on the paved network:

# Chapter 3

	Bituminous	Blocks	Concrete	Total
Surfacing - Short term (over next 2 years)	R 29.6 mil	R 33,200	R 76,800	R 29.7 mil
Structural – Long term (over next 5 years)	R 100.5 mil	R 81 800	R 0	R 100.6 mil

## 3.8 TRANSPORT (INCLUDING VEHICLE LICENCING & PUBLIC BUS OPERATION)

Theewaterskloof Municipality has no subsidized public transport services hence; this transport is provided by privately owned/operated minibus taxis. A number of school contracts are in operation in the jurisdiction.

With respect to non-motorized transport, there is generally little provision for pedestrian and bicycle travel in the municipal area other than the conventional sidewalks in the central business districts. These sidewalks are however in a poor condition due to limited resources. There are no facilities on rural roads for non-motorized transport.

Various sidewalks were constructed and upgraded in the various towns. This project was initiated through the Integrated Transport Plan as part of bettering our Public Transportation system.

## 3.9 WASTE WATER (STORMWATER DRAINAGE)

### 3.9.1 INTRODUCTION TO STORMWATER DRAINAGE

Storm water maintenance is done by operations department. Maintenance on storm water is done in warmer months to prevent damage during the rainy season. Storm water networks were upgraded as part of the Roads Upgrading Programme.

Storm water network comprises of a piped system and open drainage channels. The drainage system is in a fair condition with some instances of poor conditions. There are still some areas where there are no formal drainage networks and this causes flooding during winter.

In general, the remedial measures for the existing storm water drainage system have been based on conventional storm water management practices viz.

#### **Conveyances:**

Generally underground concrete pipes or rectangular culverts; or open channels where these are the primary existing conveyance system for the town. Where high peak flows or where channels are the primary existing conveyance system for the town, lined trapezoidal channels were selected with suitable linings dependent on flow velocities.

Flood lines were determined for each town / village located in close proximity to a river or stream with a catchment area exceeding 1km<sup>2</sup>. The flood line studies were completed for the following reasons:

- (i) To comply with the legal requirements of:

# Chapter 3

- Section 144 of the National Water Act, Act No. 36 of 1998.
  - The Land-use Planning Ordinance of the Western Cape.
- (ii) To establish if any parts of the existing towns / villages or any future developments are exposed to a flood risk.
- (iii) To determine if any storm water drainage system discharges are below flood levels that may impact on that systems discharge capacity.
- (iv) Ascertain if detailed flood line studies need to be undertaken for any of the towns / villages.

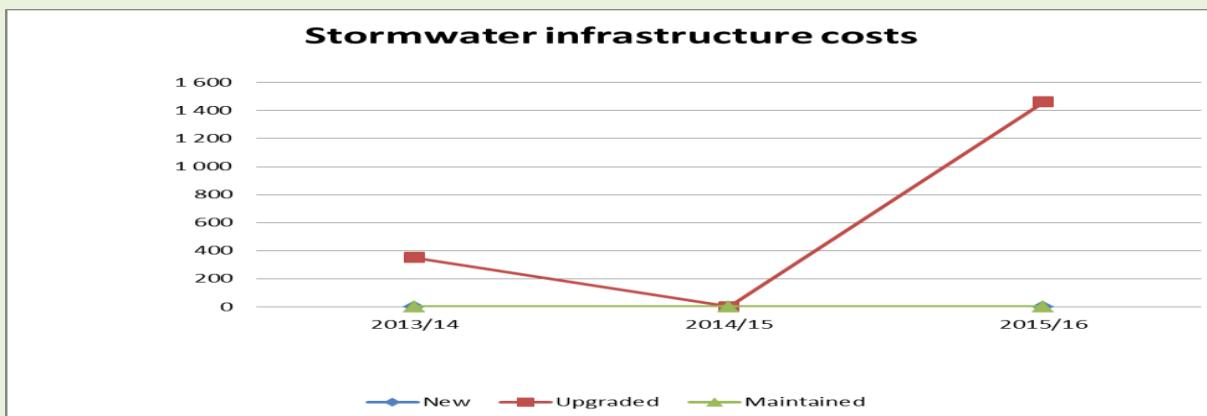
## 3.9.2 STORMWATER INFRASTRUCTURE

	Stormwater Infrastructure			
	Total Stormwater measures	New stormwater measures	Stormwater measures upgraded	Kilometres Stormwater measures maintained
2013/14	161	0.0	300.0	n/a
2014/15	260	0.0	0.0	0
2015/16	261	1	0	0

## 3.9.3 COST OF CONSTRUCTION/MAINTENANCE

	Cost of Construction/Maintenance		
	R' 000		
	Stormwater Measures		
	New	Upgraded	Maintained
2013/14	0	350	0
2014/15	0	0	0
2015/16	0	1 460	0

## 3.9.4 STORMWATER INFRASTRUCTURE COSTS



# Chapter 3

## 3.9.5 EMPLOYEES: STORMWATER SERVICES

Job Level	Employees: Stormwater Services (STORMWATER)					
	2014/15		2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	24	28	28		0%	
4 - 6	5	5	5		0%	
7 - 9	3	3	3		0%	
10 - 12	-	-	-	-	-	
13 - 15	-	-	-	-	-	
16 - 18	-	-	-	-	-	
19 - 20	-	-	-	-	-	
Total	32	36	36	0	0%	

## COMPONENT C: PLANNING AND DEVELOPMENT

### 3.10 INTRODUCTION TO PLANNING AND DEVELOPMENT

This component includes: planning; and local economic development.

While the Municipality remains committed to strengthening its economy limited infrastructure capacity, limited land holdings and a lack of finances mean that the state's ability to drive economic growth are limited. As such the key focus for economic growth needs to be partnerships with the private sector and investors.

The municipality has performed well in terms of the LED maturity assessments and existing investors all speak highly of the municipal staff.

Yet red tape remains a key barrier to investors.

The establishment of the development support team is an attempt to address this barrier.

Its success will depend on the new turnaround time for development applications and related investment proposals.

Addressing unemployment in the context of global, national and regional economies whose labour demands are contracting is hugely challenging. Further the number of young people dropping out of schools between the ages of 14 and 17 reducing young people's chances of finding employment even further. In most instances those who do drop out of schooling lacked foundational phase education. Theewaterskloof have leveraged national programmes, NARYSEC, EPWP and CWP along with provincial programmes, Skill to Work and PAY to provide support for young people to secure employment. To sustainability address the unemployment crisis interventions need to start with ECD and schooling interventions.

# Chapter 3

## 3.10.1 INTRODUCTION TO PLANNING

The mandate of the Department: Town Planning and Building Control is land use management, spatial planning and the implementation of the National Building Regulations.

On 1 December 2015, the Spatial Planning and Land Use Management Act, 2013 (Act 16 of 2013), the Western Cape Land Use Planning Act, 2014 (Act 4 of 2014) and the Theewaterskloof Municipality By-law on Land Use Planning was implemented. The aforementioned legislation is responsible for the land use management (including the management of land use applications) within the municipal area.

The Theewaterskloof Municipality Spatial Development Framework is the forward planning document that directs all growth and development within the municipal area. This document is also the main source of information that the department utilises in the assessment of land use applications.

The department implemented a number of by-laws for this financial year. These include:

- Theewaterskloof Municipality: Outdoor Advertising and Signage By-law
- Theewaterskloof Municipality: By-law on Municipal Land Use Planning
- Theewaterskloof Municipality: By-law on Fencing and Walls

The department implemented a turnaround strategy during this financial year. The goal of the turnaround strategy is to ensure that the department operates as efficiently as possible, within framework of the given legislation that it has been entrusted to manage. In light of the aforementioned, the strategic objective of the department is to encourage sustainable, responsible development within the municipal areas in an efficient, effective and professional manner.

The department provides support to communities that are living in poverty by assisting with the compilation of land use applications. Tariffs with regard to application fees and building scrutiny fees have also been structured in such a way that poverty stricken communities are not excluded from development.

## 3.10.2 APPLICATIONS FOR LAND USE DEVELOPMENT

Detail	Applications for Land Use Development					
	Formalisation of Townships		Rezoning		Built Environment	
	2014/15	2015/16	2014/15	2015/16	2014/15	2015/16
Planning application received	1	3	10	7	75	104
Determination made in year of receipt	1	1	10	6	74	36
Determination made in following year	0	0	0		1	67
Applications withdrawn	0	0	0	1	0	1
Applications outstanding at year end	0	2	0	0	0	67
						T3.10.2

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## 3.10.3 EMPLOYEES: PLANNING SERVICES

Job Level	Employees: Planning Services					
	2014/15		2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	-	-	-	-	-	-
4 - 6	1	1	1	-	0%	
7 - 9	3	3	3	-	0%	
10 - 12	5	5	5	-	0%	
13 - 15	3	3	2	1	33%	
16 - 18	-	-	-	-	-	
19 - 20	-	-	-	-	-	
Total	12	12	13	1	8%	

Job Level	Employees: IDP					
	2014/15		2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	-	-	-	-	-	-
4 - 6	-	-	-	-	-	-
7 - 9	-	-	-	-	-	-
10 - 12	1	1	1	-	0%	
13 - 15	1	1	1	-	0%	
16 - 18	-	-	-	-	-	-
19 - 20	-	-	-	-	-	-
Total	2	2	2	0	0%	

# Chapter 3

## 3.10.4 FINANCIAL PERFORMANCE: PLANNING SERVICES

Financial Performance : Planning Services						R'000
Details	2014/15	2015/16				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	(1,932)	(2,379)	(4,036)	(4,402)	9%	
Expenditure:						
Employees	4,516	5,357	6,220	6,005	-3%	
Repairs and Maintenance	–	–	–	–	–	
Other	637	1,405	1,243	,970	-22%	
<b>Total Operational Expenditure</b>	5,154	6,762	7,463	6,976	-7%	
<b>Net Operational Expenditure</b>	3,222	4,383	3,426	2,574	-25%	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.10.5

## 3.10.5 CAPITAL EXPENDITURE: PLANNING SERVICES

Capital Expenditure : Planning Services						R' 000
Capital Projects	2015/16					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
<b>Total All</b>	21	92	125	36%		
Inventory: Development Admin	21	92	125	36%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate).</i>						T3.10.6

### PHYSICAL PLANNING OVERALL:

The variance on the operating budget is largely due to the savings on the heritage register for Greyton. The project estimate was based on market research however the actual price charged for the project was below the projected amount. A further savings was realised on tribunal cost.

T 3.10.7

# Chapter 3

## 3.11 LOCAL ECONOMIC DEVELOPMENT (INCLUDING TOURISM AND MARKET PLACES)

### 3.11.1 INTRODUCTION TO ECONOMIC DEVELOPMENT

The Theewaterskloof region has a population of 108, 791 (2011 census), a GDP of R6 750 million which accounts for 36% of the Overberg economy and 3% of the Cape Functional Region's economy (Quantec 2013).

In 2011, the Municipality partnered with private and community sectors to develop a vision for 2030. Vision 2030 provides a framework to make Theewaterskloof a desirable place to live, work and visit due its high quality, sustainable country living environment and its connected, creative and productive community. Vision 2030 prioritises a great place to live, a visitor destination, a centre of learning, a vibrant economy and a low carbon, green area

Real estate, finance, insurance and business services is the largest sector, followed closely by Agriculture (including agri-processing activities), and then manufacturing, tourism, government and the construction sectors. As summary of the economy is depicted below:

Real estate, finance, insurance and business services	<b>30.1%</b>
Agriculture, forestry and fishing	21.3%
Manufacturing	15.4%
Wholesale, retail, catering and accommodation	8.8%
Government	7.7%
Construction	6.0%

#### Growth Sector

One of the fastest growing sectors of the local economy is the tourism industry. Our department has focused strongly on facilitating the growth of the Cape Country brand through marketing, networking, provision of basic services and links to government networks. We attended two trade shows this year and held a Cape Country Connect Open Day, where local suppliers exhibited their products and services to the tourism product owners. The objective of this event was to encourage local trade as opposed to hotel and guesthouse owners travelling to Cape Town to buy their supplies.

#### Social

The establishment of an NGO Forum representing the whole of Theewaterskloof has made it possible for NGOs to network and share information on a quarterly basis. The forum is facilitated by our department and potential funders and the private sector including businesses are regularly invited to attend the forum. We are in the process of developing a Terms of Reference in collaboration with the NGOs and the Department of Social Development

# Chapter 3

## Community Works Programme

In our partnership with Province and the national implementation agent of the Community Works programme, we have managed to create 1073 work opportunities in the area for unemployed individuals. These opportunities have been granted to 892 women, 181 men of which 424 are youth and 31 are disabled.

### Challenges:

There are various challenges that we face as a Municipality in order to facilitate economic growth in the area:

- Infrastructure constraints
- Bulk services constraints especially in Caledon and Grabouw
- High level of unemployment in the area
- High level of imports into the local economy such as packaging materials, fertiliser, feed and supplies
- Lack of interest by local labour to work in the agricultural and tourism sectors
- Leakage of household income out of the local area to Cape Town for education and retail facilities
- Lack of value-for-money housing products
- Low labour productivity
- Lack of clear spatial growth strategy
- Poor quality of local education levels especially in Higher education
- Poor signage of tourism routes on the N2 for visitors

### 3.11.2 ECONOMIC ACTIVITY BY SECTOR

SECTOR	%
Real estate, finance, insurance and business services	30.1%
Agriculture, forestry and fishing	21.3%
Manufacturing	15.4%
Wholesale, retail, catering and accommodation	8.8%
Government	7.7%
Construction	6.0%

### 3.11.3 ECONOMIC EMPLOYMENT BY SECTOR

Employment by sector: [persons]

Sector	Theewaterskloof	Overberg District
In the formal sector	31,357	70,745
In the informal sector	7,332	15,071
Private household	1,438	7,028
Type of sector Do not know	1,062	2,710
Type of sector Not applicable	67,601	162,622

# Chapter 3

## 3.11.4 COMMENT ON LOCAL JOB OPPORTUNITIES

### Small Medium and Micro Enterprise

A large focus area for the local economic department over the past twelve months has been the development of small, medium and micro enterprises in the area. SMMEs account for 29% of the business turnover in Theewaterskloof, and the development of this sector is critical to the creation of jobs. These businesses are usually owner run with a few staff and tend to be focused in the construction, services, retail, catering and beverage industries.

The impact our department has had on SMMEs has been through the facilitation of information sharing, tender training and company registration, skills training and development, networking and marketing. Three emerging support workshops have been held in Caledon and two in Grabouw to assist smaller businesses in developing business plans, gaining access to markets and marketing of their business. Through the facilitation process and connecting with the business chambers, we have established a reliable database of over 80 SMMEs in the TWK area. We have also launched a 'Jump Start' project whereby we furnish SMMEs with a pack containing business cards, company logo, electronic templates for accounting and an electronic flyer to assist with Marketing of their business.

### Informal Trading

Another strong emphasis this year has been on developing the informal sector of the economy, even though these businesses almost never create jobs and are survivalist in nature. This sector makes up for 42% of the local economy thus it is crucial that the development of these businesses forms a part of our LED strategy. The support offered by our department is business development training, information sharing and facilitating access to funding, provision of trading spaces and encouraging compliance.

## 3.11.5 JOBS CREATED BY LED INITIATIVES (EXCLUDING EPWP PROJECTS)

Total Jobs created / Top 3 initiatives	Jobs Created by LED Initiatives (Excluding EPWP projects)			
	Jobs created No.	Jobs lost/ displaced by other initiatives No.	Net total jobs created in year No.	Method of validating jobs created/lost
Total	889			Investment facilitation
Unspecified	29			NGO Forum
Community/ social	145			Investment facilitation
Financial/ real estate	210			Emerging contractors dev
Construction	33			Skills development
Manufacturing	375			Investment facilitation
Wholesale/ Retail	97			Poor sector performance and influx of indigents
Agriculture		300		
				T3.11.5

# Chapter 3

## 3.11.6 JOBS CREATED BY LED INITIATIVES (EXCLUDING EPWP PROJECTS)

Details	Job creation through EPWP* projects	
	EPWP Projects No.	Jobs created through EPWP projects No.
Year 2013/14	41	357
Year 2014/15	18	189
Year 2015/16	31	264

\* - Extended Public Works Programme

## 3.11.7 EMPLOYEES: LOCAL ECONOMIC DEVELOPMENT SERVICES

Job Level	Employees: Local Economic Development Services					
	2014/15		2015/16			
	Employees No.	Posts No.	Employees No.	Vacancies (fulltime equivalents) No.	Vacancies (as a % of total posts) %	
0 - 3	-	-	-	-	-	-
4 - 6	-	-	-	-	-	-
7 - 9	-	-	-	-	-	-
10 - 12	2	2	1	1	50%	
13 - 15	1	1	1		0%	
16 - 18	-	-	-	-	-	-
19 - 20	-	-	-	-	-	-
<b>Total</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>33%</b>	

## 3.11.8 FINANCIAL PERFORMANCE: LOCAL ECONOMIC DEVELOPMENT SERVICES

Details	Financial Performance : Local Economic Development Services					R'000
	2014/15	2015/16				Variance to Budget
		Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>	<b>(72)</b>	<b>(712)</b>	<b>(1,352)</b>	<b>(837)</b>		<b>-38%</b>
Expenditure:						
Employees	1,939	2,041	2,031	1,964		-3%
Repairs and Maintenance	7	7	11	9		-22%
Other	756	1,695	1,815	588		-68%
<b>Total Operational Expenditure</b>	<b>2,702</b>	<b>3,744</b>	<b>3,858</b>	<b>2,562</b>		<b>-34%</b>
<b>Net Operational Expenditure</b>	<b>2,630</b>	<b>3,032</b>	<b>2,506</b>	<b>1,725</b>		<b>-31%</b>
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.11.9

# Chapter 3

## 3.11.9 CAPITAL EXPENDITURE: LOCAL ECONOMIC DEVELOPMENT SERVICES

### 3.11.10 COMMENT ON LOCAL ECONOMIC DEVELOPMENT PERFORMANCE OVERALL

Despite the sluggish performance of many sectors of the Theewaterskloof economy, the economic potential of the area is positive. It has a competitive advantage: its natural endowments, population growth and the consequent potential to expand its rates base, as well its proximity to Cape Town and a relatively stable political arena with a strong base of local organisations and social capital. A multi-pronged strategy that diversifies and stimulates the local economy is needed. The focus areas below make up the framework by which we will adhere to in the next twelve months.

#### i. Investment facilitation

To attract developers and big business into Theewaterskloof, we are in the second phase of implementing an Investment facilitation SOP (IFSOP). This policy will reduce red tape for investment into the TWK area and make it easier for developers and large companies to do business. The next twelve months will be focused on implementing the policy within the municipality

#### ii. Package activities for niche tourist markets and transform the tourism sector

Our objective through the promotion of tourism in the area is to make Theewaterskloof a desirable place to live, work and visit due to its high quality, sustainable country living environment. Part and parcel of this is to position Theewaterskloof as a leader in country life and food. We will achieve this through our close relationship with the local tourism associations in the towns as well as investment facilitation with existing and new product owners.

Through training and skills development we aim to transform the industry to include more of our poverty stricken areas. Township tours and catering services will be top of the list, as well as the training up of guides and cycling mechanics will also be a focus area.

#### iii. Aggressively pursue clothing and agro-processing investment

Commit resources to pursue investment in the clothing sector and continue to work with private sector in expanding existing projects. We are partnering with The Foschini Group – Prestige Caledon in facilitating their R100 million investment into the town, creating as many as 1500 jobs over the next five years.

Three pack houses have been developed in the area over past twelve months, indicating growth in the agro-processing sector.

We are working closely with the agriparks task team to establish farmer support units in the area, which will ultimately feed into the Urban Market Centre in Worcester or Stellenbosch. Thus offering the emerging farmers an opportunity to gain access to transport and markets.

# Chapter 3

## **iv. Develop an SOP for investment promotion**

To attract developers and big business into Theewaterskloof, we are in the second phase of implementing an Investment facilitation SOP (IFSOP). This policy will reduce red tape for investment into the TWK area and make it easier for developers and large companies to do business. The next twelve months will be focused on implementing the policy within the municipality.

## **v. Identify land for emerging farming**

Working with property and technical as well as Department of Agriculture to identify parcels of land conducive for leasing to emerging farmers. Collaboration with Rural Development has formed part of our emerging farmer strategy, whereby we are developing a database of emerging farmers and meeting with them on a regular basis to educate them on the way forward to gain access to land.

## **vi. NGO Forum**

We will continue with the establishment and development of our forum each quarter, working closely with Department of Social Development and the CBO, NPO and NGO representatives. We will encourage business sector and potential funders to attend the meetings to offer access to funding and networking opportunities for the members.

## **vii. Local Procurement**

Continued efforts will be made in the local procurement sphere of encouraging the municipality and the community to buy local. Our attendance of the bid specs committee will ensure that the tender strategy takes preferential procurement seriously and makes every effort to ensure local procurement of materials, services and labour.

# Chapter 3

## COMPONENT D: COMMUNITY & SOCIAL SERVICES

### 3.12 LIBRARIES; ARCHIVES; MUSEUMS; GALLERIES; COMMUNITY FACILITIES; OTHER (THEATRES, ZOOS, ETC)

#### 3.12.1 LIBRARY: HIGHLIGHTS/CHALLENGES AND SERVICES STATISTICS

The Grant funded by Department Cultural Affairs and Sport (DCAS – library services) for 2015/ 2016 amounts to R6 539 000.00

The bulk of this funding has been utilised for the salaries of the permanent library personnel as well as the contract workers who has now signed a three year contract with the municipality.

**The following needs have also been addressed through this grant:**

#### **Bereaville Library:**

It was decided that due to the distance from the nearest library service for the community of Bereaville, this service has to be established in the village. Subsequently the facility was furnished with shelving and book racks as per DCAS conditions. This also included a reception area as well as cubicles for the computers. Once the library assistant has been appointed the library will come into operation where books as well as internet facilities will then be available to the local community.

#### **Tesselaarsdal Library:**

The municipality has bought a property which is next to the low cost housing as well as the school and is currently busy with construction to change it into a fully operated library. The aim is to have this service in operation before end of this financial year and it will include apart from availability of books also internet facility.

#### **Other:**

As part of Theewaterskloof aim to enhance library service, the following projects were also successfully completed.

- Caledon - installation of three air conditioners
- Greyton – installation of an air conditioner
- Greyton – installation of cubicles for computers used by the community
- Oostergloed - installation of cubicles for computers used by the community

#### **Challenges:**

Library services in the Theewaterskloof Municipality are currently healthy and the librarians are really doing their best to engage with the community through various projects. The main challenge will always be to get more users into the libraries in order to enhance reading amongst especially our youth.

# Chapter 3

## 3.12.2 EMPLOYEES: LIBRARY SERVICES

Job Level	Employees: Libraries 3.55.4					
	Employees	Posts	Employees	2015/16		Vacancies (as a % of total posts)
				No.	No.	
0 - 3	-	-	-	-	-	-
4 - 6	14	14	14	0	0	0%
7 - 9	7	8	7	1	1	13%
10 - 12	2	2	2	0	0	0%
13 - 15	-	--	-	-	-	-
16 - 18	-	-	-	-	-	-
19 - 20	-	-	-	-	-	-
Total	23	24	23	1	1	4%

## 3.12.3 FINANCIAL PERFORMANCE: LIBRARIES

Details	Financial Performance: Libraries					R'000
	2014/15	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget
<b>Total Operational Revenue</b>	(5,672)	(6,634)	(7,006)	(6,651)		-5%
Expenditure:						
Employees	4,758	5,352	5,486	5,101		-7%
Repairs and Maintenance	205	214	214	259		21%
Other	304	289	401	361		-10%
<b>Total Operational Expenditure</b>	5,266	5,855	6,101	5,721		-6%
<b>Net Operational Expenditure</b>	(406)	(778)	(905)	(930)		3%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.52.5

# Chapter 3

## 3.12.4 CAPITAL EXPENDITURE: LIBRARIES

Capital Projects	Capital Expenditure: Libraries					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	236	520	428	-18%		
Inventory Libraries	236	210	118	-44%		
Purchase house for Library	—	310	310	0%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T3.52.6

# Chapter 3

## 3.13 CEMETORIES AND CREMATORIUMS

### 3.13.1 INTRODUCTION CEMETORIES AND CREMATORIUMS

Theewaterskloof consists of 8 towns and each town has its own cemetery. Some towns for example Grabouw and Caledon had an influx of people to an extent that the present cemeteries became saturated and new land needed to be identified for expansion.

Cemeteries are as follows:

- Caledon
- Riviersonderend
- Tesselaarsdal
- Botrivers
- Grabouw
- Villiersdorp
- Greyton and Genadendal

The top priority of cemeteries is the provision of land for burial services; however with very little land available providing land for cemeteries is becoming a problem.

### 3.13.2 FINANCIAL PERFORMANCE: CEMETORIES

Details	Financial Performance: Cemeteries and Crematoriums					R'000	
	2014/15		2015/16				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget		
<b>Total Operational Revenue</b>	(484)	(456)	(500)	(520)	4%		
Expenditure:							
Employees	–	–	–	–	–		
Repairs and Maintenance	386	491	493	466	-5%		
Other	32	152	153	96	-37%		
<b>Total Operational Expenditure</b>	418	643	646	562	-13%		
<b>Net Operational Expenditure</b>	(66)	,186	,146	,43	-71%		
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.55.5	

# Chapter 3

## 3.13.3 CAPITAL EXPENDITURE: CEMETORIES

Capital Projects	Capital Expenditure : Cemetories & Crematoriums					R' 000
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
Total All	-	780	-	100%		
Cemetry Caledon	-	401	-	100%		
Cemetry Grabouw	-	379	-	100%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>					T3.55.6	

## 3.13.4 COMMENT ON THE PERFORMANCE OF CEMETORIES & CREMATORIUMS OVERALL

During year budget year 2015-2016 we completed an EIA on Caledon for extension of the present cemetery.

Grabouw are in need of extending their cemetery and will most properly begin in year 2016.

The aim is where possible to upkeep cemeteries for the next 15 years; land availability is a problem and keeps being a challenge.

## 3.14 CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

### 3.14.1 INTRODUCTION TO CHILD CARE; AGED CARE; SOCIAL PROGRAMMES

#### Social Development Programmes

##### Early Child Development Centres

- Kids International Day hosted in Botrivier, where 190 children participated in the event. Children from all the ECD centres in Botrivier participated in children's day activities, where DSD, road and community safety presented programs and entertained the children with activities.
- ECD Indaba was hosted at ELF in October, where all the ECDs were invited to learn about the norms and standards when establishing an ECD.
- In partnership with the fire department, Learn not to Burn program was introduced to 60 ECD practitioners, presenting them with material and tools to prevent fires.
- Audit of ECDs conducted in Villiersdorp, this one part of the VPUU program, this audit allows us to track and engage with child carers and crèches in the area, even if they are not registered on the Dept of Social Development's data base.

# Chapter 3

- The next step is to develop an ECD strategy for Villiersdorp which we will be able to replicate in other towns.
- Despite the strategic support our unit is providing to the sector we encounter challenges in capacity, governance, financial management and clear objectives of some of the facilities.
- The drive and enthusiasm of the ECD staff is varied and best practices are in places where the facility is run as a business.
- Humpty Dumpty crèche in Tesselaarsdal has been equipped with everything needed to make them compliant, yet they are unable to follow through with the registration process due to lack of champion on their side.
- We mobilising Corporate Social investment towards the sector through close engagements with large companies.
- Linking the ECD facility hosted at the White House in Rooidakke with Early Year Services in terms of capacity building.
- Establishment of Toy Library at the White House in Rooidakke.
- Facilitated assistance from Appletiser to fence safe play area for Hope for Life in Grabouw. Facilitated clearance of site. Awaiting further assistance from Appletiser and Biotherm to erect a structure and fence the remaining area.
- Negotiations with Elgin Free Range Chickens should be taken up again. They are keen to assist with the erecting of playparks in the community. Leonard from CWP were assisting in identifying the correct spaces. Maps have been supplied to Elgin Free Range Chickens.

## Youth

- Youth in Waste : 19 youth have been placed in the Youth in Waste program, whereby the receive 24 months training & practical experience up to level NQF4 as well as stipend for the duration of the program. The youths are placed by our local Environmental Officer in various posts though out TWK. The program is sponsored by Department Environmental Affairs and Forestry.
- This program has now been housed in the Directorate Technical and Johan Viljoen is the champion for the project.
- 24 students out of the 46 candidates were successful in being placed at Chrysalis Academy - a program run by the Department of Community Safety.
- In partnership with NGO sector, Youth Day expo was hosted in December - promoting skills and training opportunities to youths.
- Drug Action Committees are operational in RSE and Grabouw, with Villiersdorp and Caledon being still in the establishment phase.
- The Drug Action Committee Grabouw has developed an action plan which they will present at the next LDAC meeting in April.
- Biggest Deal Youth Entrepreneurship Programme aimed at youth between the ages of 14-18 years. Targeting all schools in the Theewaterskloof area as well as youth that is not in school. 126 Youth from the area entered.
- Youth Day – Sponsored Jungle Theatre to the value of R19 000 in collaboration with Greyton Transition town. Biggest Deal participants exhibited and sold product.
- Facilitated corporate sponsorship for De Rust Futura Academy learners who lost all their books in a bus accident.

# Chapter 3

## COMPONENT E: ENVIRONMENTAL PROTECTION

This component includes: pollution control; biodiversity and landscape; and coastal protection.

### 3.15 POLLUTION CONTROL

#### 3.15.1 INTRODUCTION TO POLLUTION CONTROL

Pollution control/Air Quality function is being performed in line with Overberg District Municipality's approved Air Quality Management Plan. Theewaterskloof municipality does not have the capacity (financial and human) to develop its own AQMP and to implement such a plan. This shortcoming was reported to the Minister.

Overberg District Municipality is the licensing authority in terms of NEM: AQA (Act No 39 of 2004) to issue Atmospheric Emission License for Listed Activities, which include the following:

- Review of the Atmospheric Emission licenses received from the Listed Activities Industries
- Investigating Air Quality related complaints within the Overberg District Region.
- Developing the Overberg District Municipality Air Quality by-law.
- ODM have an interim air quality officer for air quality function that is assisted by four officials, one from each sub district.

Overberg District Municipality also attends yearly Provincial Air Quality Officer's Forum.

#### 3.15.2 FINANCIAL PERFORMANCE: POLLUTION CONTROL

Details	Financial Performance: Pollution Control				
	2014/15	2015/16			R'000
Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	—	—	—	—	0%
Expenditure:					
Employees	—	—	—	—	0%
Repairs and Maintenance	2	20	20	2	-92%
Other	4	30	30	0	-99%
<b>Total Operational Expenditure</b>	6	50	50	2	-96%
<b>Net Operational Expenditure</b>	6	50	50	2	-96%
Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .					T3.59.5

# Chapter 3

## **3.16 BIO-DIVERSITY; LANDSCAPE (INCL. OPEN SPACES); AND OTHER (EG. COASTAL PROTECTION)**

### **3.16.1 INTRODUCTION TO BIO-DIVERSITY AND LANDSCAPE**

Biodiversity is the protection of all biodiversity in and around Nature reserves and open spaces as well as all commonage land this protection of Biodiversity are managed in conjunction with Cape Nature , NGO organisations and other governmental partners.

Biodiversity is protected under NEMA,NEMBA and the Biodiversity by law. All these laws are there to protect and preserve all living things and set out rules for engaging with the environment.

### **3.16.2 COMMENT ON THE PERFORMANCE OF BIO-DIVERSITY; LANDSCAPE AND OTHER OVERALL**

- No capital budget was spend and the budget were only spend on maintenance
- Projects are, alien clearing and arboriculture maintenance

# Chapter 3

## COMPONENT F: HEALTH

### 3.17 CLINICS

Health services are managed by the Provincial Department of Health.

### 3.18 AMBULANCE SERVICES

Ambulance services are provided by the Overberg District Municipality.

### 3.19 HEALTH INSPECTION; FOOD AND ABBATOIR LICENSING AND INSPECTION; ETC

The above mentioned services are provided by the Overberg District Municipality.

# Chapter 3

## COMPONENT G: SECURITY AND SAFETY

This component includes: police; fire; disaster management, licensing and control of animals, and control of public nuisances, etc.

### 3.20 TRAFFIC

#### 3.20.1 EMPLOYEES: TRAFFIC OFFICERS

Job Level	Employees: Traffic					
	2014/15		2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
0 - 3	3	3	3			0%
4 - 6	10	10	10			0%
7 - 9	34	35	33	2		6%
10 - 12	11	12	12			0%
13 - 15	4	4	4			0%
16 - 18	-	-	-	-		-
19 - 20	-	-	-	-		-
Total	62	64	62	2		3%

# Chapter 3

## 3.21 LAW ENFORCEMENT

### 3.21.1 LAW ENFORCEMENT: HIGHLIGHTS/CHALLENGES AND SERVICES STATISTICS

Highlights	Description
Traffic and Law Enforcement	<p>Law Enforcement has a program eMIS in place to record all law enforcement and also now traffic related cases/queries received.</p> <p>The eMIS system is a job card system which assist the department in ensuring that all cases/queries received are attended to, completed and feedback is provided to the public. A monthly report is drawn for record purposes and to see if cases are adhering to.</p> <p>Traffic Law Enforcement Aggressive Speed Law Enforcement took place ANPR roadblocks conducted to finalise outstanding warrants Aggressive by-law enforcement Impoundment of stray animals Auctioning of stray animals Impoundment of illegal public transport vehicles</p>

### 3.21.2 FINANCIAL PERFORMANCE: TRAFFIC AND LAW ENFORCEMENT

Details	Financial Performance : Traffic and Law Enforcement					R'000
	2015/16					
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	(25,330)	(15,305)	(25,868)	(31,132)	20%	
Expenditure:						
Employees	10,960	12,654	12,383	12,385	0%	
Repairs and Maintenance	428	542	559	368	-34%	
Other	19,298	11,116	26,959	26,966	0%	
<b>Total Operational Expenditure</b>	30,687	24,313	39,900	39,718	0%	
<b>Net Operational Expenditure</b>	5,357	9,007	14,032	8,586	-39%	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.65.5

# Chapter 3

## 3.21.3 LAW ENFORCEMENT: CHALLENGES

Challenges	Actions to Address
<b>Shortage of permanent staff</b>	<ul style="list-style-type: none"> <li>EPWP contract staff was appointed to fulfill law enforcement operational needs. Of the 20 students/wardens appointed no one is left in service, all of them has sort alternative employment</li> <li>Wolwekloof programs was implemented</li> <li>More appointments are required.</li> <li>Partnerships and new programs to be investigated and implemented</li> </ul>
<b>Public ignorance towards by-laws</b>	<ul style="list-style-type: none"> <li>Awareness campaigns</li> <li>Aggressive patrolling's in terms of high visibility (foot patrols etc.).</li> <li>Consistent operations throughout the whole TWK jurisdiction.</li> <li>Busy Implementing Law Enforcement Strategy and Community Safety Plan</li> <li>Two Community Safety Forums were established in Rivieronderend and Villiersdorp</li> </ul>
<b>Vehicle shortage</b>	<ul style="list-style-type: none"> <li>New vehicles were procured for Traffic</li> <li>Fleet Management to budget and procure additional vehicles for Law Enforcement</li> </ul>
<b>Impoundment of animals</b>	<ul style="list-style-type: none"> <li>Vehicle was purchased to impound animals</li> <li>Upgrading of pound</li> <li>Animal pound was established and is operational</li> <li>Animals were impounded and auctioned</li> </ul>
<b>Shortage of communication systems and IT equipment</b>	<ul style="list-style-type: none"> <li>Cell phones, two way hand radio's to be budgeted for</li> <li>Budget needed for communication infrastructure</li> <li>Budget needed for computers and IT system</li> </ul>
<b>Protective tools</b>	<ul style="list-style-type: none"> <li>Firearms, bullet proofs, handcuffs, Tomfa, pepper spray</li> </ul>
<b>Training</b>	<ul style="list-style-type: none"> <li>Crowd control to assist with marches</li> <li>Firearm training</li> <li>Self-defense training</li> <li>Client services and conflict management training</li> </ul>
<b>Taxi violence</b>	<ul style="list-style-type: none"> <li>Taxi Pound are operational</li> <li>Integrated public transport operations</li> <li>Provincial support</li> <li>Impoundment of illegal public transport vehicles</li> </ul>
<b>Vandalism</b>	<ul style="list-style-type: none"> <li>Reward for information policy approved by Council</li> <li>Public participation and assistance is needed to minimize vandalism and theft of municipal property</li> </ul>
<b>Illegal land grabs and public protests</b>	<ul style="list-style-type: none"> <li>Illegal land grabs threaten municipal land and open spaces</li> <li>Traffic offices in Grabouw was destroyed during protest action</li> <li>Specialized unit is needed to manage illegal land grabs and protest action</li> </ul>

# Chapter 3

## 3.22 DISASTER MANAGEMENT

### 3.22.1 INTRODUCTION TO DISASTER MANAGEMENT

Details	Financial Performance: Disaster Management					R'000
	2015/2016					
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	—	—	—	—	—	—
Expenditure:						
Fire fighters	—	—	—	—	—	—
Other employees	—	—	—	—	—	—
Repairs and Maintenance	395	400	400	395	-1%	
Other	40	120	135	40	-70%	
<b>Total Operational Expenditure</b>	435	520	535	435	-19%	
<b>Net Operational Expenditure</b>	435	520	535	435	-19%	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.66.5

Disaster Management is to provide blankets, food and shelter during disaster incidents in mostly informal structural areas. Preventative mitigation measures are also done by managing and maintaining rivers and other natural areas to prevent disaster events as far as possible.

Disaster management performed well within its limitations and budget restraints.

### 3.22.2 INTRODUCTION TO DISASTER MANAGEMENT

Job Level	Employees: Disaster Management					
	Employees	2015/16				
		Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
No.	No.	No.	No.	No.	%	
0 - 3	-	-	-	-	-	-
4 - 6	-	-	-	-	-	-
7 - 9	-	-	-	-	-	-
10 - 12	-	-	-	-	-	-
13 - 15	1	1	1	0	0%	
16 - 18	-	-	-	-	-	-
19 - 20	-	-	-	-	-	-
<b>Total</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>1</b>	<b>0%</b>	

# Chapter 3

## COMPONENT H: SPORT AND RECREATION

This component includes: community parks; sports fields; sports halls; stadiums; swimming pools; and camp sites.

### 3.23 SPORT AND RECREATION

#### 3.23.1 SERVICE STATISTICS FOR SPORT AND RECREATION

##### **Villiersdorp:**

The new constructed sport facility is now completed and was officially opened by the Mayor. Sport codes will start to use this facility as from beginning of 2017.

##### **Grabouw:**

Lyners Engineering did submit a costing report in order to upgrade Pineview Park. The next step will be to apply for MIG funding in order to proceed with the renovation at Pineview Park.

The amount of R1,7 million has also been made available by Council for the construction of a soccer facility at Dennekruin and this project will also be completed in the 2016/ 2017 financial year.

##### **Tesselaarsdal**

The amount of R750 000 has been allocated for upgrading of the sport grounds at Tesselaarsdal. However due to some unforeseen challenges that were highlighted such as size to construct a new rugby field, no electricity, there were other issues that have to be addressed in order to finalise this project

##### **Botriver Education Foundation:**

This initiative from the community is still growing in numbers and popularity and TWK is proud to be one of the main sponsors to this event.

##### **Challenges**

The main challenge remains insufficient funding therefor sponsorship from organisations such as Department Cultural Affairs and Sport as well as National Lottery is vital.

The municipality is experienced huge financial losses through vandalism on inter alia our sport facilities. A recent research has indicated a minimum financial loss of +R7 million due to theft and vandalism hence it is important for our community to take co-ownership of our assets.

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## 3.23.2 EMPLOYEES: SPORT AND RECREATION

Job Level	Employees: Sport and Recreation					
	2014/15		2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	-	-	-	-	-	-
4 - 6	-	-	-	-	-	-
7 - 9	-	-	-	-	-	-
10 - 12	-	-	-	-	-	-
13 - 15	1	1	1	0	0%	
16 - 18	-	-	-	-	-	-
19 - 20	-	-	-	-	-	-
Total	1	1	1	0	0%	

## 3.23.3 EMPLOYEES: PARKS

Job Level	Employees: Parks					
	2014/15		2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	21	23	21	2	9%	
4 - 6	11	11	11	0	0%	
7 - 9	3	3	3	0	0%	
10 - 12	1	1	1	0	0%	
13 - 15	-	-	-	-	-	
16 - 18	-	-	-	-	-	
19 - 20	-	-	-	-	-	
Total	36	38	36	2	5%	

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## 3.23.4 FINANCIAL PERFORMANCE: SPORT AND RECREATION

Financial Performance: Sport and Recreation						R'000
Details	2014/15	2015/16				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	(780)	(744)	(767)	(673)	-12%	
Expenditure:						
Employees	4,457	5,165	5,056	4,878	-4%	
Repairs and Maintenance	1,982	2,299	2,351	2,125	-10%	
Other	671	1058	1065	663	-38%	
<b>Total Operational Expenditure</b>	7,109	8,522	8,472	7,667	-10%	
<b>Net Operational Expenditure</b>	6,329	7,778	7,706	6,995	-9%	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.68.4

## 3.23.5 CAPITAL EXPENDITURE: SPORT AND RECREATION

Capital Expenditure : Sport and Recreation						R' 000
Capital Projects	2015/16					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
<b>Total All</b>	—	2,642	1,630	-38%		
New Sport Facility Phase I	797	797	,4	-99%		
Upgrade of Sport Facilities	—	1,200	,662	-45%		
Sport Facility Ablution	—	942	1,449	54%	0	
Sport Facility - Dennekruin	—	1,700	181	-89%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T3.68.5

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## COMPONENT I: CORPORATE POLICY OFFICES AND OTHER SERVICES

This component includes: corporate policy offices, financial services, human resource services, ICT services, property services.

### 3.24 EXECUTIVE AND COUNCIL

This component includes: Executive office (mayor; councilors; and municipal manager).

#### 3.24.1 EMPLOYEES: EXECUTIVE AND COUNCIL

Job Level	Employees: The Executive and Council (MM AND DIRECTORS)					
	2014/15		2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
No.	No.	No.	No.	No.	0%	
0 - 3	-	-	-	-	-	-
4 - 6	-	-	-	-	-	-
7 - 9	-	-	-	-	-	-
10 - 12	-	-	-	-	-	-
13 - 15	-	-	-	-	-	-
16 - 18	-	-	-	-	-	-
19 - 20	6	6	6		0%	
Total	6	6	6	0	0%	

Job Level	Employees: Administration (INCLUDES ADMIN STAFF IN TOWNS)					
	2014/15		2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	%
No.	No.	No.	No.	No.	%	
0 - 3	11	11	10	1	9%	
4 - 6	6	9	9	-	0%	
7 - 9	16	19	19	-	0%	
10 - 12	15	15	15	-	0%	
13 - 15	5	5	5	-	0%	
16 - 18	1	1	1	-	0%	
19 - 20	-	-	-	-	-	
Total	54	60	59	1	2%	

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## Employees: Internal Audit

Job Level	2014/15						2015/16					
	Employees		Posts		Employees		Vacancies (fulltime equivalents)		Vacancies (as a % of total posts)			
	No.	No.	No.	No.	No.	No.	No.	No.	%			
0 - 3	-	-	-	-	-	-	-	-	-	-		
4 - 6	-	-	-	-	-	-	-	-	-	-		
7 - 9	-	-	-	-	-	-	-	-	-	-		
10 - 12	2	2	2	2	2	2	2	2	0%	0%		
13 - 15	-	-	-	-	-	-	-	-	-	-		
16 - 18	1	1	1	1	1	1	1	1	0%	0%		
19 - 20	-	-	-	-	-	-	-	-	-	-		
<b>Total</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>0</b>	<b>0</b>	<b>0%</b>	<b>0%</b>		

## 3.24.2 FINANCIAL PERFORMANCE: EXECUTIVE AND COUNCIL

Details	Financial Performance : The Executive and Council					R'000	
	2014/15		2015/16				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget		
<b>Total Operational Revenue</b>	(5 501)	(198)	(1 259)	(7 763)	-516%		
Expenditure:							
Employees	16,126	12,947	16,817	15,971	5%		
Repairs and Maintenance	307	27	22	13	42%		
Other	12,691	18,608	15,521	12,086	22%		
<b>Total Operational Expenditure</b>	<b>29,123</b>	<b>31,582</b>	<b>32,360</b>	<b>28,070</b>	<b>13%</b>		
<b>Net Operational Expenditure</b>	<b>23,622</b>	<b>31,384</b>	<b>31,100</b>	<b>20,307</b>	<b>35%</b>		
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget.</i>						T3.69.5	

# Chapter 3

## 3.25 FINANCIAL SERVICES

### 3.25.1 INTRODUCTION TO FINANCIAL SERVICES

The application of sound financial management principles is essential and critical to ensure that the Municipality remains financially viable and that municipal services are provided sustainable, economically and equitably to all communities.

The key objective of the Municipal Finance Management Act (2003) is to modernise municipal financial management in South Africa so as to lay a sound financial base for the sustainable delivery of services. Municipal financial management involves managing a range of interrelated components: planning and budgeting, revenue, cash and expenditure management, procurement, asset management, reporting and oversight. Each component contributes to ensuring that expenditure is developmental, effective and efficient and that municipalities can be held accountable.

During the 2011 strategic planning session, Financial Sustainability was identified as the highest priority for the municipality. A Turnaround Strategy was adopted and a Steering Committee established to guide and implements the strategy. Specific low hanging fruit projects have also already been adopted by such a committee. Although (as previously indicated under financial overview) financial sustainability remains the municipality's biggest challenge, considerable improvements have been made.

The biggest challenge within the financial section remains the functioning and results of the Revenue Section which is critical to financial sustainability and consequently it is the area that we should be focussing on.

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## FINANCIAL SERVICES: CHALLENGES

Challenges	Description
<b>Revenue Section</b>	Collection rate is too low. Gross Consumer Debtors increased by R 72.6 million in the past 10 years; peaking at R 139.9 million in 2015/16. Theewaterskloof made sufficient provision for all debtors which are older than 30 days. The growth in Provision for Bad Debts complimented the growth in Gross Consumer Debtors. In 2015/16, Gross Consumer debtors grew by 15.89%. However even though the collection rate improved in 2014/15 Gross Consumer Debtor grew at an alarming rate of 12.71%. Collection remained below 90% for the past 5 years.
<b>Inadequate grant funds from National and Provincial Government</b>	The Fiscal Model has become out-dated further skewed by the inaccurate data of recent census. We will continue to fight for a review of the criteria for Grant distribution to municipalities.
<b>Narrow rates base</b>	Not enough economic development and job opportunities to contribute towards the fiscus of the municipality. Viewed as one of the few true rural municipalities, plagued by poverty due to unemployment and seasonality of work. Lowest per capita income of all the 4 municipalities in the District and also lower than the national average.
<b>Implementation of SCOA (Standard Chart of Accounts)</b>	<p>In terms of section 169(1) (b) of the Local Government: Municipal Finance Management Act, 2003 (Act No. 56 of 2003), the Minister of Finance has signed into effect and subsequently published the Municipal Regulations on a Standard Chart of Accounts (SCOA) in terms of Notice 312 of 2014, Government Gazette No. 37577 subsequent to formal consultation.</p> <p>The Municipal Regulations on a Standard Chart of Accounts inter alia makes provision for an updated GFS Classification Framework, Detailed Classification Framework of the 7 Segments. All 278 municipalities must be compliant by 1 July 2017. The necessary structures will be established and municipalities and other stakeholders will be informed in due course of the way forward.</p> <p>The obvious challenge faced by TWK is the financial resources required to ensure that the financial system able to implement SCOA. The cost of training could place further strain on the municipality's financial resources. Other challenges faced is the time spent away from work whilst receiving training, employees resistant to change, having to use external service providers as a result of employees not coming to terms with the complexity of the new regulations etc.</p>
<b>A weak revenue stream</b>	Due to the relative small revenue out of electricity as most of the reticulation is done by ESKOM, this not only affect the municipalities ability to generate revenue it's also hampers debt collection in towns where the municipality don't provide electricity. TWK is one of the pioneers fighting for either being

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the sole provider of electricity in its area or alternatively concluding service level agreements with ESKOM aimed at receiving additional revenue from electricity sold in the area and assisting with debt control through restriction of electricity supply to defaulting consumer.

The problem is that expectations and frustrations of the poorest of the poor are escalating by the day and the municipality is simply not able to respond due to lack of funding. The wider the gap between expectations and institutional capacity the bigger the risk of service protests. It is the responsibility of all to manage expectations down to a realistic affordable level. Obviously every attempt should also be made to manage the institutional capacity up in response to narrowing the gap between expectation and capacity.

The backlogs in infrastructure further puts pressure on municipal finances. The inability of the municipality to spent in non-grant funded areas due to lack of reserves are causing frustration in paying community and could negatively affect their willingness to pay. The uncertainty surrounding the sustainability of future grant funding, central government's fiscal model, low revenue base, unemployment and the community's ability/willingness to pay for services as well as the uncontrolled influx of unemployed, unskilled and homeless people into the municipal area are factors all of which have a negative impact on the financial health of the municipality.

Although the financial health of the municipality has improved considerably over the last few years, the current financial health as reflected in various ratios indicates an inherent risk to service delivery sustainability and should these risk not be mitigated or eliminated a breakdown in service delivery could become a reality.

## 3.25.2 EMPLOYEES: FINANCIAL SERVICES

Job Level	Employees: Financial Services					
	2014/15		2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
0 - 3	-	-	-	-	-	-
4 - 6	7	7	7		0%	
7 - 9	32	35	35		0%	
10 - 12	7	7	6	1	14%	
13 - 15	6	6	6		0%	
16 - 18	1	2	1	1	50%	
19 - 20	-	-	-	-	-	
Total	53	57	55	2	4%	

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## 3.25.3 FINANCIAL PERFORMANCE: FINANCIAL SERVICES

Financial Performance: Financial Services						R'000
Details	2014/15	2015/16				
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	(66,094)	(56,495)	(69,827)	(76,206)	9%	
Expenditure:						
Employees	16,126	19,249	18,105	18,384	2%	
Repairs and Maintenance	307	433	383	236	-38%	
Other	12,702	12,205	13,866	15,503	12%	
<b>Total Operational Expenditure</b>	29,135	31,886	32,354	34,123	5%	
<b>Net Operational Expenditure</b>	(36,959)	(24,608)	(37,473)	(42,082)	12%	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.70.5

## 3.25.4 CAPITAL EXPENDITURE: FINANCIAL SERVICES

Capital Expenditure : Financial Services						R' 000
Capital Projects	2015/16					
	Budget	Adjustment Budget	Actual Expenditure	Variance from original budget	Total Project Value	
<b>Total All</b>	38	38	9	-76%		
<b>Inventory Items Finance</b>	38	38	9	-76%		
<i>Total project value represents the estimated cost of the project on approval by council (including past and future expenditure as appropriate.</i>						T3.70.6

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## 3.26 HUMAN RESOURCE SERVICES

### INTRODUCTION TO HUMAN RESOURCE SERVICES

The Human Resources Department is responsible for ensuring that the organisation's most valuable asset, its employees, is developed in order to perform to their full potential. The municipality continually strives to promote a culture of good governance and an environment where the needs of employees can be addressed in a manner that is conducive for the advancement of the interests of our local communities. The Human Resources function include, but is not limited to, HR administration of employee benefits, recruitment and selection, Organisational Efficiency Improvement, employment equity, training and development of staff, sound labour relations, occupational health and safety and risk management and general support services to enhance staff capacity in the process of realising organisational strategic objectives of service delivery to the community.

T 3.26.1

#### 3.26.1 EMPLOYEES: HUMAN RESOURCE SERVICES

Employees: Human Resource Services					
Job Level	Year 2014/15	Year 2015/16			
		Employees	Posts	Employees	Vacancies (fulltime equivalents)
	No.	No.	No.	No.	Vacancies (as a % of total posts)
0 - 3	-	-	-	-	-
4 - 6	-	-	-	-	-
7 - 9	-	-	-	-	-
10 - 12	3	3	3		0%
13 - 15	3	3	3		0%
16 - 18	-	-	-	-	-
19 - 20	-	-	-	-	-
Total	6	6	6	0	0%

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## 3.26.2 FINANCIAL PERFORMANCE: HUMAN RESOURCE SERVICES

Details	Financial Performance: Human Resource Services					R'000
	Year 2014/15			Year 2015/16		
	Actual	Original Budget	Adjustment Budget	Actual	Variance to Budget	
<b>Total Operational Revenue</b>	(279)	(1,645)	(1,645)	(600)	-64%	
Expenditure:						
Employees	2,680	3,892	4,085	3,607	-12%	
Repairs and Maintenance	—	—	—	—	—	
Other	3,668	4,290	4,292	4,100	-4%	
<b>Total Operational Expenditure</b>	6,349	8,183	8,377	7,708	-8%	
<b>Net Operational Expenditure</b>	6,070	6,538	6,733	7,108	6%	
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.71.5

### COMMENT ON THE PERFORMANCE OF HUMAN RESOURCE SERVICES OVERALL:

Highlights: Organisational review and redesign project with regards to various functions within the Municipality was rolled out and implementation of the outcomes is in process.

The establishment of a Task Regional Job Evaluation Committee and Task Provincial Audit Committee in the Western Cape.

Challenges: A need exists to improve the Electronic Human Resources System to address the entire HR Function, including live amendments to the Organisational Structures.

Task Job Evaluation and Individual PMS is another area of concern which due to a lack of capacity cannot come to its right.

T 3.26.7

## 3.27 INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

This component includes: Information and Communication Technology (ICT) services.

### 3.27.1 INTRODUCTION TO INFORMATION AND COMMUNICATION TECHNOLOGY (ICT) SERVICES

Although the ICT division did not meet the envisaged upgrades of municipal ICT infrastructure, we still managed to achieve more than 50% of this requirement. With the increase of security threats in the ICT industry, the municipal ICT unit constantly increases restrictive security measures, whilst having to balance restrictions with operational requirements, as well as consideration to public communication.

As a support function, the ICT division became more involved in decision-making processes of the municipal administration. The municipal ICT Steering Committee (ICTSC) as a formal committee of

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council is delegated to make decisions with regards to the municipal ICT governance and one of the biggest decisions taken thus far included the cancellation of Microsoft licenses, which will result in a R1.6 million saving.

The municipality also played a key role in the standardization of municipal websites in the Western Cape and this project will see all Western Cape municipalities receiving a standardized website which was built to facilitate easy access to information and future integration with other services.

One of the projects that was started and which we envisage to be completed by 2017 is a Customer Care and Client Helpdesk solution. This project will be a collaboration between the municipal ICT division, the HAN-student project, Cape Peninsula University of Technology and various service providers. The ultimate goal of the project is to involve Provincial Government and deploying the developed system to all municipalities.

Other projects that was started includes, amongst others, a video conferencing system, video surveillance, and an internal process flow system.

Policies and Standard Operating Procedures became a vocal point in the municipal ICT environment and we foresee more focus being placed in this sphere of ICT.

## 3.27.2 EMPLOYEES: ICT SERVICES

Job Level	Employees: ICT Services					
	Year 2014/15		Year 2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	-	-	-	-	-	-
4 - 6	-	-	-	-	-	-
7 - 9	-	-	-	-	-	-
10 - 12	1	3	3	-	0%	
13 - 15	1	1	1	-	0%	
16 - 18	-	-	-	-	-	
19 - 20	-	-	-	-	-	
Total	2	4	4	0	0%	

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## 3.27.3 FINANCIAL PERFORMANCE: ICT SERVICES

Details	Financial Performance: ICT Services					R'000
	Year 2014/15	Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>	—	—	—	—	—	—
Expenditure:						
Employees	874	1497	1285	1165	—	-9%
Repairs and Maintenance	—	—	—	—	—	—
Other	3,778	4,855	4,915	3,674	—	-25%
<b>Total Operational Expenditure</b>	4,652	6,351	6,200	4,838	—	-22%
<b>Net Operational Expenditure</b>	4,652	6,351	6,200	4,838	—	-22%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>					T3.72.5	

## 3.28 PROPERTY MANAGEMENT

### 3.28.1 PROPERTY MANAGEMENT: CHALLENGES/HIGHLIGHTS

This component includes: property management.

#### Challenges

- The Property Management Department still has many challenges of which **capacity** still remains the biggest challenge. This situation results into a backlog that will never be resolved.
- The declining world and national **economy** results in not having enough bank credible buyers to buy and develop available properties.
- The high cost of providing **infrastructure** for developments (bulk services as well as internal services) prohibits buyers from developing.
- **Red tape** is still a big challenge as processes takes so long that it results into sometimes missing opportunities to sell property to credible buyers.
- Municipal **restrictive legislation** hinders a lot of development opportunities that otherwise would have succeeded in the private sector.
- The provision of **affordable housing** within the Theewaterskloof area is a big challenge. There are a vast number of people who falls outside of the qualifying income for the allocation of a RDP house.

#### Achievements

- 17 Properties were **sold** to the value of R1 391 090.
- Construction has commenced on the 1<sup>st</sup> Phase of **Extension 12** in Caledon where **112 walk-up sectional title residential units** will be established. This development will provide much needed

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housing and give first home owners the opportunity to enter into the market as well as pensioners who wants to scale down to smaller properties. The developer has also applied to densify the residential 1 unit from 47 to 97 units and is awaiting Planning approval. There is a big interest from potential buyers as this development is the first in Caledon since the 1980's.

- 127 of the 181 erven in Bergsig Caledon, earmarked for **GAP housing**, were sold to individual buyers over a 7 year period and construction of the housing units is taking place.
- Council has resolved to release land for the construction of a **private hospital** adjacent to the provincial hospital in Caledon and the planning thereof is currently in progress.
- **8 Industrial properties** in Riviersonderend were sold to a well-established business entity for the construction of a factory which will provide jobs for a number of people in Riviersonderend.
- Council alienated property in Botrivier for the establishment of a **high school** which will enable students to stay in Botrivier and not force them to go to high schools of the neighbouring towns which are currently the case.

## 3.28.2 EMPLOYEES PROPERTY MANAGEMENT AND VALUATIONS

Job Level	Employees: Property Management					
	Year 2014/15		Year 2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	-	-	-	-	-	-
4 - 6	-	-	-	-	-	-
7 - 9	1	1	1	-	0%	
10 - 12	1	1	1	-	0%	
13 - 15	1	1	1	-	0%	
16 - 18	-	-	-	-	-	
19 - 20	--	-	-	-	-	
Total	3	3	3	0	0%	

Job Level	Employees: Valuations					
	2014/15		Year 2015/16			
	Employees	Posts	Employees	Vacancies (fulltime equivalents)	Vacancies (as a % of total posts)	
	No.	No.	No.	No.	%	
0 - 3	-	-	-	-	-	-
4 - 6	-	-	-	-	-	-
7 - 9	-	-	-	-	-	-
10 - 12	-	-	-	-	-	-
13 - 15	1	1	1	-	0%	
16 - 18	-	-	-	-	-	
19 - 20	-	-	-	-	-	
Total	1	1	1	0	0%	

# Chapter 3

## 3.28.3 FINANCIAL PERFORMANCE: PROPERTY MANAGEMENT

Details	Financial Performance : Property Services					R'000
	Year 2014/15	Actual	Original Budget	Adjustment Budget	Actual	
<b>Total Operational Revenue</b>	(1,631)	(527)	(956)	(3,282)		243%
Expenditure:						
Employees	1,320	2,004	1,731	1,469		15%
Repairs and Maintenance	1,368	1,651	1,903	1,723		9%
Other	3,152	10,681	2,101	1,560		26%
<b>Total Operational Expenditure</b>	5,840	14,336	5,735	4,752		17%
<b>Net Operational Expenditure</b>	4,209	13,809	4,779	1,470		69%
<i>Net expenditure to be consistent with summary table T5.1.2 in Chapter 5. Variances are calculated by dividing the difference between the Adjustment Budget and the Actual divided by the Adjustment Budget .</i>						T3.73.5

# Chapter 4

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE (PERFORMANCE REPORT PART II)

The municipality has currently a staff component of 615 officials, who individually and collectively contribute towards the achievement of the municipality's objectives. The primary objective of Human Resource Management is to render an innovative HR service that addresses both skills development and an administrative function.

### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

#### 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

##### 4.1.1 EMPLOYEES

Description	Employees					
	Year 2014/15		Year 2015/16			
	Employees	Approved Posts	Employees	Vacancies	Vacancies	
Water (521)	37	41	37	4	9%	
Waste Water (Sewerage) 420; 421	45	45	44	1	2%	
Electricity (311)	20	20	19	1	5%	
Waste Man (incl. Dumping site) 413	89	96	93	3	3%	
Housing (116)	12	13	13		0%	
Sewerage Purification (414)	35	35	34	1	3%	
Roads (518)	86	91	91	0	0%	
Traffic (118; 130; 119)	62	64	63	2	3%	
Town Planning (115)	12	12	13	1	8%	
Local Economic Development (125)	3	3	3		0%	
Planning: IDP (114)	2	2	2		0%	
Finance (210)	53	57	55	2	4%	
Administration (110; 519; 107; 108; 113)	54	57	56	1	2%	
HR (117)	6	6	6		0%	
IT (211)	2	4	4		0%	
Property Management (124; 126; 419)	13	13	13		0%	
Parks: (517; 516)	36	38	36	2	5%	
Libraries (112)	23	24	23	1	4%	
Valuations: 110)	1	1	1		0%	
Internal Audit : (213)	3	3	3		0%	
<b>Totals</b>	<b>594</b>	<b>625</b>	<b>609</b>	<b>19</b>	<b>3%</b>	

# Chapter 4

## 4.1.2 VACANCY RATE: YEAR 2015/16

Designations	Vacancy Rate: Year 2015/16		
	*Total Approved Posts	*Vacancies (Total time that vacancies exist using fulltime equivalents)	*Vacancies (as a proportion of total posts in each category)
	No.	No.	%
Municipal Manager	1	0	0.00
CFO	1	0	0.00
Other S57 Managers (excluding Finance Posts)	4	0	0.00
Other S57 Managers (Finance posts)			0.00
Police officers	0	0	0.00
Traffic & Law Enforcement	33	2	6.06
Senior management: Levels 13-15 (excluding Finance Posts)	35	2	5.71
Senior management: Levels 13-15 (Finance posts)	9	1	11.11
Highly skilled supervision: levels 9-12 (excluding Finance posts)	89	3	3.37
Highly skilled supervision: levels 9-12 (Finance posts)	12	1	8.33
<b>Total</b>	<b>184</b>	<b>9</b>	<b>4.89</b>

## 4.1.3 TURN-OVER RATE: YEAR 2015/16

Details	Turn-over Rate		
	Total Appointments as of beginning of Financial Year		Turn-over Rate*
	No.	No.	
2012/13	32	24	75.00%
2013/14	60	15	25.00%
2014/15	69	22	31.88%
2015/16	75	36	48.00%

# Chapter 4

## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### 4.2 MANAGING THE MUNICIPAL WORKFORCE

#### 4.2.1 INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

The Municipal Systems Act, S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.

The Human Resource division comprises of HR Administration Services. This section is responsible for the administration of leave, fringe benefits, medical aid contributions and housing scheme including the Occupational Health and Safety section, as well as the Training and Skills development.

Managing the municipal workforce refers to analysing and coordinating employee behavior.

#### 4.2.2 HUMAN RESOURCE POLICIES AND PLANS

HR Policies and Plans				
	Name of Policy/Plan	Completed	Reviewed	Date adopted by council or comment on failure to adopt
1	Affirmative Action (Employment Equity)	X		15 September 2011.
2	Code of Conduct for employees	X		Schedule 2 – Municipal Systems Act [Act 32 of 2000]
3	Delegations, Authorisation & Responsibility	X		Revised by council 24 <sup>th</sup> March 2011- new council adopted on 31 May 2011
4	Disciplinary Code and Procedures	X		Negotiated on Bargaining Council Level (Adopted 01 July 2010)
5	Essential Services	X		Parties could reach an agreement on the services that was identified as Essential. The Draft Agreement will be discussed at the Local Labour Forum meeting that is scheduled for 25 July 2012.
6	EAP	X		Adopted on the 27 March 2014
7	Exit Management	X		Exit interview are held with employees leave the organisation.
8	Grievance Procedures	X		In terms of Main Collective Agreement that was adopted on Bargaining Council Level on 01 May 2007
9	HIV/Aids	X		20 March 2013
10	Human Resource and Development	X		31 October 2013
11	Information Technology	X		Policy was adopted on 15 September 2011
12	Task Job Evaluation Policy	X		09 October 2013
13	Leave	X		20 March 2013
14	Occupational Health and Safety	X		Policy adopted by Council on 29 July 2010

# Chapter 4

HR Policies and Plans				
	Name of Policy	Completed	Reviewed	Date adopted by council or comment on failure to adopt
15	Official Housing Subsidy	x		Adopted at Bargaining Council level
16	Travel and Subsistence	X		23 June 2016
17	Official Working Hours and Overtime	x		Main Collective Agreement – Adopted on Bargaining Council Level
18	Organisational Rights	X		Main Collective Agreement – Adopted on Bargaining Council Level
19	Payroll Deductions	X		Statutory deductions
20	Performance Management and Development	X		January 2010
21	Recruitment, Selection and Appointments	X		23 June 2016
22	Remuneration Scales and Allowances	X		As per Salary and Wage Collective Agreement - Adopted on Bargaining Council Level.
23	Resettlement	X		Current policy
24	Sexual Harassment	X		Adopted on 29 July 2010
25	Skills Development	X		Workplace Skills Plan – Adopted on 30 June 2011.
26	Smoking	X		Adopted on 26 May 2008
27	Bursary	X		Adopted on 15 October 2008
28	Substance Abuse	X		Adopted on 15 September 2011
29	Uniforms and Protective Clothing	X		Adopted on 29 July 2010
30	Transport Policy	X		Adopted on 24 April 2012
31	Medical Assistance for former employees	X		Adopted on 05 May 2011
32	Induction	X		Adopted 7 August 2012
33	Training Policy	X		13 October 2013
34	Revision Transport	X		26 March 2015
35	Scarce Skills	X		20 March 2013

## 4.2.3 COMMENT ON WORKFORCE POLICY DEVELOPMENT

All HR Policies are discussed by the Policy Working Group that comprises of top Management and representatives from the Unions, where after it is referred to the Local Labor Forum for approval. Good progress is being made with the adoption of HR Policies and procedures, and we are well within our target of adopting at least 2 policies in a year.

# Chapter 4

## 4.3 INJURIES, SICKNESS AND SUSPENSIONS

### 4.3.1 NUMBER AND COST OF INJURIES ON DUTY

Type of injury	Injury Leave Taken	Employees using injury leave	Proportion employees using sick leave	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
<b>Required basic medical attention only</b>					
<b>Temporary total disablement</b>	130	43	33.08%	3	58
<b>Permanent disablement</b>			0.00%	0	0
<b>Fatal</b>			0.00%	0	0
<b>Total</b>	130	43	33.08%	3	58
					T4.3.1

**Explanatory note:** Injury leave taken ÷ employees using sick leave = average days injury leave per employee.

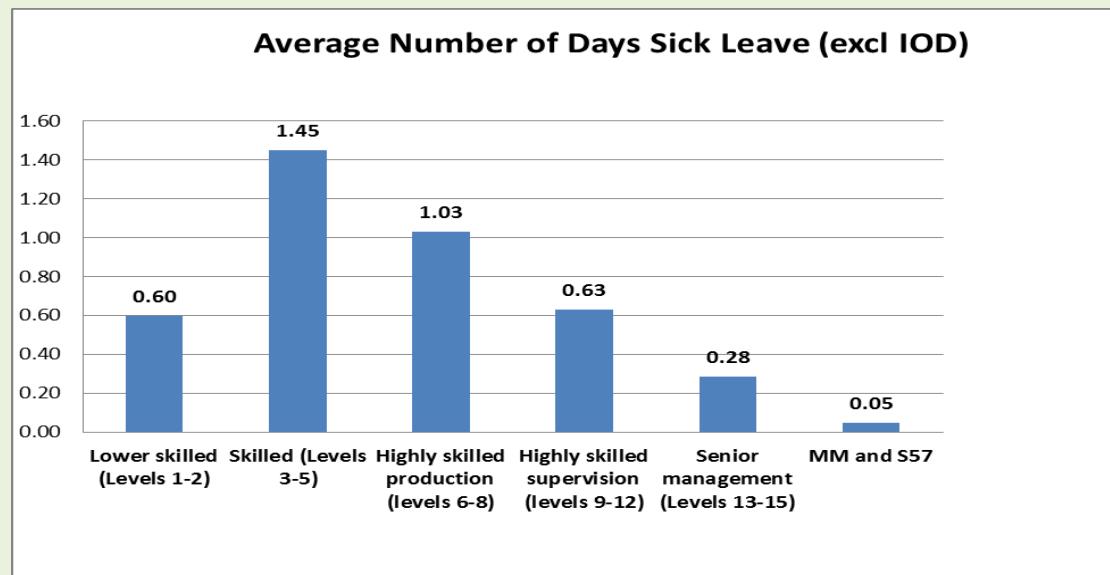
Compensation claims for such occupational injuries are calculated according to the seriousness of the injury/disease and can be costly to a municipality. Occupational injury will influence the loss of man hours and therefore financial and productivity performance.

### 4.3.2 NUMBER OF DAYS AND COST OF SICK LEAVE (EXCLUDING INJURY ON DUTY)

Salary band	Number of days and Cost of Sick Leave (excluding injuries on duty)						
	Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost	
	Days	%	No.	No.	Days	R	
<b>Lower skilled (Levels 1-2)</b>	372	36%	77	89	0.60	R 109 321.00	
<b>Skilled (Levels 3-5)</b>	904	40%	163	210	1.45	R 250 099.00	
<b>Highly skilled production (levels 6-8)</b>	641	41%	136	159	1.03	R 375 981.00	
<b>Highly skilled supervision (levels 9-12)</b>	392	43%	96	109	0.63	R 387 409.00	
<b>Senior management (Levels 13-15)</b>	177	39%	43	50	0.28	R 261 772.00	
<b>MM and S57</b>	30	43%	6	6	0.05	R 160 240.00	
<b>Total</b>	<b>2516</b>	<b>40%</b>	<b>521</b>	<b>623</b>	<b>4.04</b>	<b>R 1 544 822.00</b>	

# Chapter 4

## 4.3.3 AVERAGE NUMBER OF DAYS OF SICK LEAVE (EXCLUDING INJURY ON DUTY)



## 4.3.4 COMMENT ON INJURY AND SICK LEAVE

The number of days' sick leave taken by employees has service delivery cost implications. The monitoring of sick leave identifies certain pattern or trends. Once these patterns are identified, corrective action can be taken.

## 4.3.5 NUMBER AND PERIOD OF SUSPENSIONS

Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalised	Date Finalised
Traffic Officer	Misuse of municipal prop	14/10/2015 & 11/11/2015	2 days suspension without remuneration	25/9/2015
General Worker	Assault	22/4/2016 - 10/5/2016	10 days suspension without remuneration	21/4/2016
General Worker	Assault	22/4/2016 - 10/5/2016	10 days suspension without remuneration	21/4/2016

In terms of the Disciplinary Code only officials from other departments or from other municipalities can be appointed as Presiding Officers and Employer Representatives. The availability of the officials is a huge problem. There are simply not enough officials with the necessary expertise and knowledge to handle disciplinary hearings.

The Code further states that the Employer Representative must be at a level more senior than the employee(s) who is/are being charged, which makes the "pool" of available officials even smaller.

# Chapter 4

Another factor is the constant requests for postponements from the Unions. All officials post level T14 to T17 were sent on an Initiator and Chairperson training and hopefully this initiative will speed up the finalization of the disciplinary hearings.

## 4.3.6 DISCIPLINARY ACTION TAKEN ON CASES OF FINANCIAL MISCONDUCT

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalised
None	None	None	None

## 4.4 PERFORMANCE REWARDS

### 4.4.1 PERFORMANCE REWARDS BY GENDER

Designations	Beneficiary profile				
	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 2015/16	Proportion of beneficiaries within group %
				R' 000	
Lower skilled (Levels 1-2)	Female				
	Male				
Skilled (Levels 3-5)	Female				
	Male				
Highly skilled production (levels 6-8)	Female				
	Male				
Highly skilled supervision (levels 9-12)	Female				
	Male				
Senior management (Levels 13-15)	Female				
	Male				
MM and S57	Female				
	Male	6	6		100%
Total		6	6		100%

# Chapter 4

## 4.4.2 COMMENT ON PERFORMANCE REWARDS

The implementation of performance management to lower levels of staff could not be realised due to capacity constraints therefore organisational performance has been implemented.

# Chapter 4

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

Section 68(1) of the MSA states that municipality must develop its human resource capacity to a level that enables it to perform its functions and exercise its powers in an economical, effective, efficient and accountable way. For this purpose the human resource capacity of a municipality must comply with the Skills Development Act (SDA), 1998 (Act No. 81 of 1998), and the Skills Development Levies Act, 201999 (Act No. 28 of 1999).

Policies for internal bursaries are in place. The training committee which follows a well-organized procedure involving all relevant role-players meets on a monthly basis after the local labor forum meeting. Transparent regulation of all courses involves the unions SAMWU and IMATU in all decision making.

# Chapter 4

## 4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Development Act (1998) and the Municipal Systems Act, (2000), require employers to supply employees with the necessary training in order to develop its human resource capacity. Section 55(1) (f) states that as head of administration the Municipal Manager is responsible for the management, utilisation and training of staff.

### 4.5.1 NUMBER OF SKILLED EMPLOYEES

Skills Matrix

Management level	Gender	Employees in post as at 30 June Year 2015	Number of skilled employees required and actual as at 30 June Year 2014												
			Learnerships			Skills programmes & other short courses			Other forms of training			Total			
			No.	Actual: End of Year 2015	Actual: End of Year 2016	Target	Actual: End of Year 2015	Actual: End of Year 2016	Target	Actual: End of Year 2015	Actual: End of Year 2016	Target	Actual: End of Year 2015	Actual: End of Year 2016	Target
<b>MM and s57</b>	Female														-
	Male	<b>6</b>				<b>1</b>							<b>1</b>		-
<b>Councillors, senior officials and managers</b>	Female	<b>20</b>				<b>5</b>							<b>5</b>		-
	Male	<b>25</b>				<b>12</b>							<b>12</b>		-
<b>Technicians and associate professionals*</b>	Female	5		1									<b>0</b>	1	-
	Male	19		7		7							<b>7</b>	7	-
<b>Professionals</b>	Female	9					7						<b>0</b>	7	--
	Male	27				11							<b>11</b>		-
<b>Sub total</b>	Female	34		1		5	7						<b>5</b>		-
	Male	77		7		29	0						<b>29</b>		-
<b>Total</b>		<b>111</b>	<b>0</b>	<b>8</b>	<b>0</b>	<b>34</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>34</b>	<b>0</b>	<b>0</b>	

\*Registered with professional Associate Body e.g CA (SA)

T4.5.1

# Chapter 4

## 4.5.2 FINANCIAL COMPETENCY DEVELOPMENT: PROGRESS REPORT

Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
<i>Accounting officer</i>	1	0	1	0	1	0
<i>Chief financial officer</i>	1	0	1	1	0	1
<i>Senior managers</i>	4	0	4	1	3	1
<i>Any other financial officials</i>	27	0	27			18
<b>Supply Chain Management Officials</b>						
<i>Heads of supply chain management units</i>		0		0		0
<i>Supply chain management senior managers</i>	1	0	1	0		0
<b>TOTAL</b>	<b>34</b>	<b>0</b>	<b>34</b>	<b>2</b>	<b>4</b>	<b>20</b>
<i>* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)</i>						T4.5.2

## 4.5.3 SKILLS DEVELOPMENT EXPENDITURE

Management level	Gender	Employees as at the beginning of the financial year	Skills Development Expenditure								R'000	
			Original Budget and Actual Expenditure on skills development Year 1									
			Learnerships		Skills programmes & other short courses		Other forms of training		Total			
		No.	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual	Original Budget	Actual		
MM and S57	Female						10	20	10	20		
	Male						20	25	20	25		
Legislators, senior officials and managers	Female											
	Male											
Professionals	Female											
	Male											
Technicians and associate professionals	Female											
	Male											
Clerks	Female											
	Male											
Service and sales workers	Female											
	Male											
Plant and machine operators and assemblers	Female											
	Male											
Elementary occupations	Female											
	Male											
Sub total	Female						10	20	10	20		
	Male						20	25	20	25		
Total		0	0	0	0	0	30	45	30	45		
*% and *R value of municipal salaries (original budget) allocated for workplace skills plan.										%*	*R	
											T4.5.3	

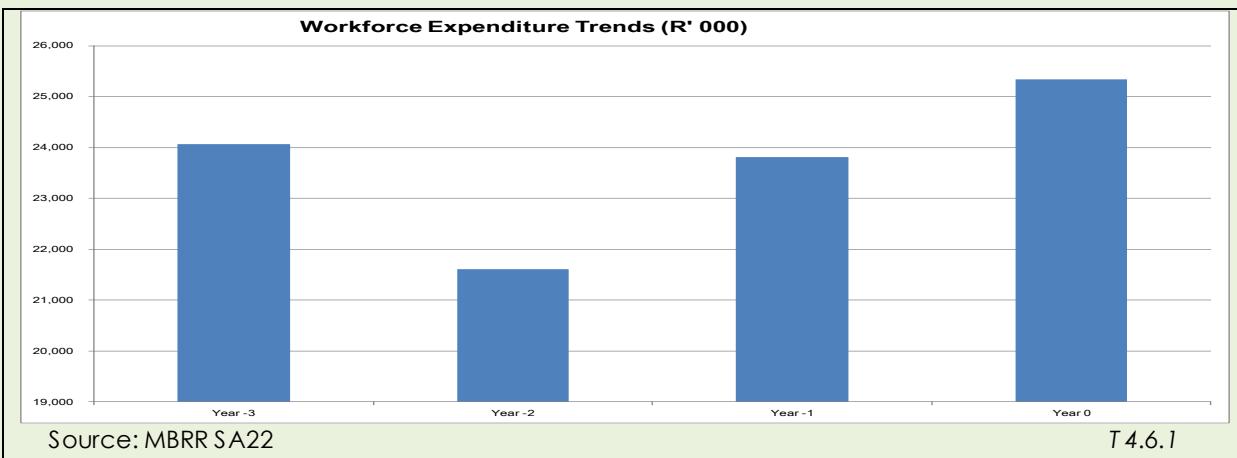
# Chapter 4

## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

The percentage personnel expenditure is essential in the budgeting process as it reflects on current and future efficiency. The table below indicates the percentage of the municipal budget that was spent on salaries and allowance (excluding councilor remuneration) for the past three financial years and that the municipality is well within the national norm of between 35 to 40%:

### 4.6 EMPLOYEE EXPENDITURE

#### 4.6.1 EMPLOYEE EXPENDITURE



#### COMMENT ON WORKFORCE EXPENDITURE:

**Delete Directive note once comment is completed** – Explain the spending pattern in the context of the actual and two previous years plus the budget year. Refer to implications for workforce ratio in Chapter 5. Comment on factors influencing workforce expenditure during the year.

T 4.6.1.1

# Chapter 4

## 4.6.2 NUMBER OF EMPLOYEES WHOSE SALARIES WHERE INCREASE DUE TO THEIR POSITION BEING UPGRADED

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded		Gender	Total
Beneficiaries			
<b>Lower skilled (Levels 1-2)</b>	Female		
	Male		
<b>Skilled (Levels 3-5)</b>	Female		
	Male		1
<b>Highly skilled production (Levels 6-8)</b>	Female		
	Male		
<b>Highly skilled supervision (Levels 9-12)</b>	Female		
	Male		1
<b>Senior management (Levels 13-16)</b>	Female		
	Male		1
<b>MM and S 57</b>	Female		
	Male		
<b>Total</b>			3

## 4.6.3 EMPLOYEES WHOSE SALARY LEVELS EXCEEDED THE GRADE DETERMINED BY JOB EVALUATION

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
<b>None</b>	-	-	-	-

## 4.6.4 EMPLOYEES APPOINTED TO POSTS NOT APPROVED

Employees appointed to posts not approved				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
<b>None</b>	-	-	-	-

# Chapter 5

## CHAPTER 5 – FINANCIAL PERFORMANCE

### INTRODUCTION

Chapter 5 contains information regarding financial performance and highlights specific accomplishments. The chapter comprises of three components:

- Component A: Statement of Financial Performance
- Component B: Spending Against Capital Budget
- Component C: Other Financial Matters

**Delete Directive note once comment is completed** - Please explain how your municipality sought to contain inflationary pressures during the financial year. Take the 5 most expensive consultancy arrangements in year 0 and explain the costs, the reasons for the engagements and the results. Include such other introductory remarks as you wish.

T 5.0.1

### Demographics and Economic Overview of the Municipality

To understand the financial challenges and position of the municipality it is important that one has an understanding of the demographics and economic environment of the region:

- Population of 117657 (biggest in District) with a growth rate of 6.7%. Population estimated to 125505 by the 2023.
- Highest % of age population falls in the age group 30-34 for both males and females (indicative of the size of economically active people)
- Approximately 57.6per cent of households in Theewaterskloof fall within the low income bracket, of which 11.8 per cent have no income.
- The economy of TWK on net employment, 5 381 jobs have been lost since 2005 - not all of the jobs lost prior to and during the recession have been recovered.
- The Municipality employed 45.8 per cent (57 518 labourers) of the Overberg District's labour force in 2015, and experienced a moderate employment growth of 1.7per cent per annum since 2005, which was below the overall district employment growth rate of 2.2per cent per annum.
- Theewaterskloof comprised R5.401 billion (or 40.51per cent) of the Districts total R13.33billion GDP at the end of 2015. GDP growth averaged 4.46per cent per annum over the period 2005 –2015. This is above the District average of 3.96 per cent.
- Theewaterskloof's Commercial services is the largest employer in the Municipality, This sector employed 37.4 per cent of the municipality's workforce (making it the largest employer)

# Chapter 5

- Three larger employment sectors in TWK are as follows:
  - Commercial services encompass the wholesale & retail trade, catering & accommodation, transport, storage & communication and finance, insurance, real estate & business services industries. (37.4%)
  - Agriculture, fishing and forestry (16%)
  - Manufacturing (13.1%)

During yet another tough economic year, the municipality had to continue to introduce initiatives to handle and deal with price increase, especially those attributable to inflationary increases. The municipality continued to strengthen its stance on decreasing/eliminating non-essential spending.

Looking at the future the municipality identified several key matters to be dealt with in 2015/2016:

- Replacing or upgrading ageing infrastructure and working towards obtaining R689m to deal with this over the next 5 years.
- Financial Reform, reducing subsidization of rate funded services by trading surpluses. This process are to be phased in over financial years, depending on the financial position of the municipality. .
- Operational input costs, such as bulk water, personnel costs, fuel and bulk electricity, exceeding the inflation rate.
- Drastic rates and tariff increases to address the threats.
- Cash funded reserves, improving the capital replacement reserve.
- Municipal sustainability considerations versus the affordability of the Municipal bill.
- An indigent population of 53% and increased pressure on those who carries the bulk of the municipal bill.
- National Grants funds for services and capital projects in previously disadvantaged areas.
- Improved debt collection remains key the success of remaining financial viable and therefor remains at the fore front of focus areas.

The municipality slightly underperformed in 2015/16 when comparing to financial achievements to the previous financial year (2014/15). There are various factors contributing to this, economic growth both internationally, nationally and locally, continuous influx of indigent population into the area (the Grabouw phenomenon of 2016) and the drought are just a few factors that contributed heavily on the municipality's ability to achieve maximum outcomes. The following achievements during the financial year should be highlighted:

# Chapter 5

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- A clean audit was achieved for the first time in 2012/13 which is proof of sound financial practices and principles. Only 30 (12 in the Western Cape) municipalities from a total of 278 had obtained this achievement nationally. The municipality managed to sustain the clean audit outcome both in 2013/14, 2014/15 and 2015/16.
- 90% expenditure of the capital budget was spent in 2012/13 and 2013/14, in 2014/15 there was a slight decrease in capital expenditure, 86% of the capital budget was spent in 2014/15 this remains an improvement when comparing to the 78% achieved in 2011/2012. The collection rate has shown some improvement from 86% in 2014, to 88% in 2015 and 89% in 2016.
- The Current Ratio improved from 0.9:1(2013) to 1.1:1(2014) and to 1.2:1 in 2015
- Capital replacement reserve has decreased from R15,7m in 2015 to R8,5m in 2016. This is largely due to the fact that the municipality remains committed to reduce its financing cost thus utilizing own funds from the capital replacement reserve to finance capital expenditure.
- Capital spending: Despite being rated one of the least financial viable municipalities TWK over the last 11 years invested R624m in capital assets and infrastructure
- TWK has posted annual Accounting Surpluses with the exception of a deficit in 2011/12 for the last 12 financial years. The surplus realized in 2015 amounts to R45,2m.
- TWK has been able to manage its credit score within the BBB Band for more than 11 years
- Financial Viability Improved from 30 in 2011 to 50 in 2015 (Ratings Africa).
- Efficient costing of services and projects by identifying and managing the cost drivers.
- Active use of forecasts and projections to manage cash flow efficiently.
- Active monitoring of income and expenditure against pre-determined budget targets/projections.
- Set financial benchmarks and monitor performance against them

# Chapter 5

## COMPONENT A: STATEMENTS OF FINANCIAL PERFORMANCE

### 5.1 STATEMENTS OF FINANCIAL PERFORMANCE

# Chapter 5

Description	Financial Summary						R' 000	
	Actual	2015/16		2015/16 Variance				
		Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget		
<b>Financial Performance</b>								
Property rates	68,637	75,213	75,213	76,025	1.08%	1.08%		
Service charges	153,817	178,274	176,565	176,654	-0.91%	0.05%		
Investment revenue	5,134	2,606	4,500	7,323	180.99%	62.73%		
Transfers recognised - operational	108,761	136,386	160,323	128,047	-6.11%	-20.13%		
Other own revenue	46,307	35,109	47,465	63,312	80.33%	33.39%		
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>382,656</b>	<b>427,588</b>	<b>464,066</b>	<b>451,361</b>	<b>5.56%</b>	<b>-2.74%</b>		
Employee costs	138,725	153,721	155,367	154,659	0.61%	-0.46%		
Remuneration of councillors	8,573	10,479	9,679	8,939	-14.69%	-7.64%		
Depreciation & asset impairment	10,818	27,081	32,763	24,598	-9.17%	-24.92%		
Finance charges	13,237	13,496	13,496	14,705	8.96%	8.96%		
Materials and bulk purchases	54,670	62,253	61,253	62,105	-0.24%	1.39%		
Transfers and grants	1,351	1,000	1,500	1,214	21.38%	-19.08%		
Other expenditure	140,925	181,301	214,891	173,209	-4.46%	-19.40%		
<b>Total Expenditure</b>	<b>368,298</b>	<b>449,331</b>	<b>488,949</b>	<b>439,430</b>	<b>-2.20%</b>	<b>-10.13%</b>		
<b>Surplus/(Deficit)</b>	<b>14,358</b>	<b>(21,744)</b>	<b>(24,883)</b>	<b>11,931</b>	<b>-154.87%</b>	<b>-147.95%</b>		
Transfers recognised - capital	59,671	38,617	41,044	33,353	-13.63%	-18.74%		
Contributions recognised - capital & contributed assets								
<b>Surplus/(Deficit) after capital transfers &amp; contributions</b>	<b>74,029</b>	<b>16,873</b>	<b>16,161</b>	<b>45,283</b>	<b>168.38%</b>	<b>180.20%</b>		
Share of surplus/ (deficit) of associate	-	-	-	-	-	-		
<b>Surplus/(Deficit) for the year</b>	<b>74,029</b>	<b>16,873</b>	<b>16,161</b>	<b>45,283</b>	<b>168.38%</b>	<b>180.20%</b>		
<b>Capital expenditure &amp; funds sources</b>								
<b>Capital expenditure</b>	<b>73,205</b>	<b>60,973</b>	<b>79,791</b>	<b>65,231</b>	<b>6.98%</b>	<b>-18.25%</b>		
Transfers recognised - capital	59,671	38,617	41,544	36,710	-4.94%	-11.64%		
Public contributions & donations	-	-	-	-	-	-		
Borrowing		11,550	12,313		-100.00%	-100.00%		
Internally generated funds	13,534	10,806	25,934	28,521	163.93%	9.98%		
<b>Total sources of capital funds</b>	<b>73,205</b>	<b>60,973</b>	<b>79,791</b>	<b>65,231</b>	<b>6.98%</b>	<b>-18.25%</b>		
<b>Financial position</b>								
Total current assets	109,073	60,852	70,545	111,026	82.45%	57.38%		
Total non current assets	722,696	892,787	975,669	756,058	-15.31%	-22.51%		
Total current liabilities	87,315	66,438	67,243	109,416	64.69%	62.72%		
Total non current liabilities	210,212	194,970	231,201	178,143	-8.63%	-22.95%		
Community wealth/Equity	534,242	692,231	747,769	579,525	-16.28%	-22.50%		
<b>Cash flows</b>								
Net cash from (used) operating	114,445	(134,758)	(153,864)	61,375	-145.54%	-139.89%		
Net cash from (used) investing	(77,271)	(58,726)	(69,952)	(66,125)	12.60%	-5.47%		
Net cash from (used) financing	(6,740)	4,809	7,939	(7,270)	-251.19%	-191.58%		
<b>Cash/cash equivalents at the year end</b>	<b>68,463</b>	<b>22,414</b>	<b>50,928</b>	<b>56,442</b>	<b>151.82%</b>	<b>10.83%</b>		
<b>Cash backing/surplus reconciliation</b>								
Cash and investments available	68,463	22,414	50,928	56,442	151.82%	10.83%		
Application of cash and investments	27,062	34,524	35,315	14,220	-58.81%	-59.73%		
<b>Balance - surplus (shortfall)</b>	<b>41,400</b>	<b>(12,110)</b>	<b>15,612</b>	<b>42,222</b>	<b>-448.67%</b>	<b>170.44%</b>		
<b>Asset management</b>								
Asset register summary (WDV)	712,864	892,768	964,194	745,328	-16.52%	-22.70%		
Depreciation & asset impairment	10,818	27,081	32,763	24,598	-9.17%	-24.92%		
Renewal of Existing Assets	26,086	22,120	27,657	23,867	7.90%	-13.70%		
Repairs and Maintenance	22,109	26,413	25,997	23,837	-9.75%	-8.31%		
<b>Free services</b>								
Cost of Free Basic Services provided	14,086	32,766	32,766	14,086	-57.01%	-57.01%		
Revenue cost of free services provided	14,086	36,922	36,922	14,086	-61.85%	-61.85%		
<b>Households below minimum service level</b>								
Water:	-	-	-	-	-	-		
Sanitation/sewerage:	-	-	-	-	-	-		
Energy:	-	-	-	-	-	-		
Refuse:	-	-	-	-	-	-		

Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

This table is aligned to MBRR table A1

T5.1.1

# Chapter 5

Description	Financial Performance of Operational Services					R '000	
	Actual	2015/16			2015/16 Variance		
		Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget	
<b>Operating Service</b>							
Water Distribution	(7,518)	(17,198)	(7,900)	(10,049)	-42%	27.21%	
Waste Water Management	252	(618)	(901)	(1,774)	187%	96.88%	
Electricity Distribution	(22,537)	(16,077)	(18,098)	(18,777)	17%	3.75%	
Solid Waste Management	496	(3,500)	(411)	12,825	-466%	-3217.27%	
Housing Services	(25,387)	(3,331)	(6,452)	(2,266)	-32%	-64.88%	
Component A: sub-total	<b>(54,694)</b>	<b>(40,723)</b>	<b>(33,762)</b>	<b>(20,041)</b>	-51%	-40.64%	
Roads Services	23,621	25,780	24,603	23,354	-9%	-5.08%	
Transport	—	—	—	—	—	—	
Component B: sub-total	<b>23,621</b>	<b>25,780</b>	<b>24,603</b>	<b>23,354</b>	-9%	-5.08%	
Planning	3,222	4,383	3,426	2,574	-41%	-24.89%	
Local Economic Development	2,630	3,032	2,506	1,725	-43%	-31.16%	
Component C: sub-total	<b>5,852</b>	<b>7,415</b>	<b>5,932</b>	<b>4,299</b>	-42%	-27.54%	
Community & Social Services	(472)	(592)	(759)	(888)	50%	16.89%	
Environmental Protection	6	50	50	2	-96%	-96.39%	
Health					—	—	
Public Safety	6,110	10,325	15,365	9,568	-7%	-37.73%	
Sport and Recreation	6,329	7,778	7,706	6,995	-10%	-9.23%	
Corporate Policy Offices and Other	(61,518)	(28,393)	(50,829)	(69,916)	146%	37.55%	
Component D: sub-total	<b>(49,544)</b>	<b>(10,832)</b>	<b>(28,468)</b>	<b>(54,240)</b>	401%	90.53%	
<b>Net Total Expenditure</b>	<b>(28,413)</b>	<b>(18,362)</b>	<b>(31,694)</b>	<b>(46,629)</b>	154%	47.12%	
In this table operational income (but not levies or tariffs) is offset against operational expenditure leaving a net operational expenditure total for each service as shown in the individual net service expenditure tables in chapter 3. Variances are calculated by dividing the difference between actual and original/adjustments budget divided by the original/adjustments budget.							T5.1.2

# Chapter 5

## 5.2 GRANTS

Description	Grant Performance					
	2014/15	2015/16		2015/16 Variance	R' 000	
Actual	Budget	Adjustments Budget	Actual	Original Budget (%)	Adjustments Budget (%)	
<b>Operating Transfers and Grants</b>						
<b>National Government:</b>	<b>100,899</b>	<b>102,152</b>	<b>101,271</b>	<b>100,595</b>		
Equitable share	62,481	63,909	63,909	63,908	0%	0%
Municipal Systems Improvement	825	930	930	930	0%	0%
Municipal Disaster Recovery	439	—	946	946		0%
Local Government Financial Management Grant (FMG)	1,600	1,600	1,600	1,124	-30%	-30%
Municipal Infrastructure Grant (MIG)	25,116	22,572	22,572	25,622	14%	14%
National Electrification Programme	3,900	4,386	4,386	4,753	8%	8%
Expanded public works programme (EPWP)	1,097	1,086	1,095	1,148	6%	5%
Regional Bulk Infrastructure Grant	5,441	3,509	1,898	2,164	-38%	14%
VAT on grants	—	4,160	3,935	—	-100%	-100%
Neighbourhood Development Programme Grant	—	—	—	—		
<b>Provincial Government:</b>	<b>67,237</b>	<b>71,134</b>	<b>96,809</b>	<b>59,414</b>		
Health subsidy	—	—	—	—		
Housing	59,099	63,643	86,266	50,823	-20%	-41%
Municipal Infrastructure Support Grant	1,018	—	—	—		
Sports and Recreation	—	—	—	—		
Financial Management Support Grant	853	—	1,828	824		-55%
CDW Operational Support Grant	181	126	159	158	26%	-1%
Maintenance of proclaimed main roads	92	114	114	82	-28%	-28%
Library Service conditional Grant	5,994	6,539	7,129	6,740	3%	-5%
Violence Prevention through Urban Upgrading	—	500	500	500	0%	0%
Thusong Service Centres Grant	—	212	312	286	35%	-8%
Municipal Capacity Building Grant	—	—	500	—		-100%
Spartial Development Framework	—	—	—	—		
<b>District Municipality:</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
[insert description]					0%	0%
					0%	0%
<b>Other grant providers:</b>	<b>1,340,700</b>	<b>1,717</b>	<b>2,888</b>	<b>1,390,370</b>	<b>0</b>	<b>1</b>
DBSA GIS	—	—	—	—		
IDC	54	—	213	50		-76%
DBSA LEDI	18	—	328	—		-100%
HAN	990	72	703	1,014	1308%	44%
SETA	279	1,645	1,645	326	-80%	-80%
<b>Total Operating Transfers and Grants</b>	<b>169,476</b>	<b>175,003</b>	<b>200,968</b>	<b>161,399</b>		
Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.						T5.2.1

# Chapter 5

## COMMENT ON OPERATING TRANSFERS AND GRANTS:

33% of Theewaterskloof's Total Revenue was derived from government grant and subsidies in 2015/16; indicating the Municipality's reliance on Grants and Subsidies. During the 2015/16 financial year the municipality received a total of R161.399m. Provincial transfers of R59,414, national grants amounting to R100,595m and R1,390m from other grant funders make up the total amount of grant funding received during the 2015/16 financial year. Total operating grant expenditure for the corresponding period amounts to R122,597m. The largest transfer received was received in the form of equitable share (R63,9m) and housing grant (R50,8m). The biggest spending variances on operating grants were on the following grants:

Municipal Capacity Building Grant 100%  
Financial Management Support Grant 55%  
Housing 41%

T 5.2.2

Grants Received From Sources Other Than Division of Revenue Act (DoRA)						
Details of Donor	Actual Grant 2014/15	Actual Grant 2015/16	2015/16 Municipal Contribution	Date Grant terminates	Date Municipal contribution terminates	Nature and benefit from the grant received, include description of any contributions in kind
<b>Parastatals</b>						
SETA	(232)	(326)				Skills Development
HAN	(1 400)	(582)				Youth Development
DBSA LED	–	(1 450)				Local Economic Development
<b>Foreign Governments/Development Aid Agencies</b>						
<b>Private Sector / Organisations</b>						
<i>Provide a comprehensive response to this schedule</i>						T5.2.3

# Chapter 5

## CONDITIONAL GRANTS AND GRANT RECEIVED FROM OTHER SOURCES:

The municipality received a total of R2, 3m from Donors other than the division of revenue act. The HAN grant gives students from abroad the opportunity to engage with previously disadvantaged communities and launch projects aimed at uplifting these communities. SETA is utilised from skills development and training within the organisation. The DBSA LEDI grant had no expenditure.

T 5.2.4

### 5.3 ASSET MANAGEMENT

#### ASSET MANAGEMENT

##### Overview

Theewaterskloof Municipality have a centralised Asset Management Unit based in Caledon. The unit is responsible for all assets related functions throughout the entire region consisting of eight (8) towns.

##### Key Element from the Asset Management Policy (AMP)

The proper utilization and management of assets is one of the prime mechanisms by which a municipality can fulfil its constitutional objectives for:

- Delivery of sustainable services;
- Promotion of Social and economic development
- Promoting a safe and healthy environment and;
- Providing for the basic needs to the community.
- The municipality has a legal and moral obligation to ensure it implements policies to provide for the effective and efficient usage of its assets over the useful life thereof.
- The asset management policy deals with the municipal rules required to ensure the enforcement of appropriate stewardship of assets.
- Stewardship has three components being the:
  - Management, utilization and control by the Municipal Officials.
  - Financial administration by the Chief Financial Officer, and
  - Physical administration by the Manager: Assets & Insurance
- Statutory provisions exist to protect public property against arbitrary and inappropriate management or disposal by a local government.
- Accounting standards are set to ensure the appropriate financial treatment for property, plant and equipment. The requirements of these accounting standards include:
  - The compilation of asset registers recording all assets controlled by the municipality.
  - Accounting treatment for the acquisition, disposal, recording and depreciation of property, plant and equipment.
  - The standards to which these financial records must be maintained.

# Chapter 5

**The Municipal Manager** is responsible for the management of the assets of the municipality, including the safeguarding and the maintenance of those assets.

- The Municipal Manager must take all reasonable steps to ensure that:
- The municipality has and maintains a management, accounting and information system that records all the assets of the municipality;
- The municipality's assets are valued in accordance with recognised standards as prescribed by statutes and/or regulations;
- That the municipality has and maintains a system of internal control of assets, including an asset register; and
- That Senior Management comply with this policy.

**The Chief Financial Officer** is responsible to the Municipal Manager to ensure that the financial investment in the municipalities' assets is properly recorded.

- The Chief Financial Officer must take all reasonable steps to ensure that
- Appropriate systems of financial management and internal controls are established and carried out diligently;
- The financial and other resources of the municipality are utilized effectively, efficiently, economically and transparently;
- Any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented
- The systems, processes and registers required to substantiate the financial values of the municipality's assets are maintained to standards sufficient to satisfy the requirements of all statutes;
- Financial processes are established and maintained to ensure the municipality's financial resources are optimally utilized through appropriate asset plans, budgeting, purchasing, maintenance and disposal decisions;
- The Municipal Manager is appropriately advised on the exercise of powers and duties pertaining to the financial administration of assets;

# Chapter 5

- The Directors and senior management teams are appropriately advised on the exercise of their powers and duties pertaining to the financial administration of assets;
- The Chief Financial Officer may delegate or otherwise assign responsibility for performing these functions but will remain accountable for ensuring these activities are performed

**The Directors** must take all reasonable steps to ensure that:

- Appropriate systems of physical management and controls are established and carried out for assets in their areas of responsibility;
- The municipal resources assigned to them are utilized effectively, efficiently, economically and transparently;
- The assets under their control are appropriately safeguarded and maintained to the extent necessary and that risk management systems are in place and applied;
- Any unauthorized, irregular or fruitless or wasteful expenditure, and losses resulting from criminal or negligent conduct, are prevented;
- The asset management systems and controls can provide an accurate, reliable and up to date record of assets under their control.
- They are able to justify that their asset plans, budgets, purchasing, maintenance and disposal decisions optimally achieve the municipality's strategic objectives.
- The purchase of assets complies with all municipal policies and procedures.
- All moveable property, plant and equipment is duly processed and identified and inspected as being in order before it is received into their stewardship.
- All moveable assets received into their stewardship are appropriately safeguarded against inappropriate use or loss. This will include control over the physical access to these assets and regular stock takes to ensure that no losses have occurred. Any known losses should be immediately reported to the Chief Financial Officer.
- Assets are appropriately utilized for the purpose for which the municipality acquired them.

The Director may delegate or otherwise assign responsibility for performing these functions but will remain ultimately accountable for ensuring these activities are performed

## **Asset Management Unit (AMU)**

The organogram extract of the AMU on the next page represent the current human resource allocation

There are currently no capacity development initiatives in terms of the AMU

# Chapter 5



# Chapter 5

TREATMENT OF THE THREE LARGEST ASSETS ACQUIRED 2015/16				R'000
Asset 1				
Name	Upgrade Bulk water Storage Capacity- New Reservoir			
Description	Upgrade Waste Water Treatment Works			
Asset Type	Fixed Asset			
Key Staff Involved	N Kayser			
Staff Responsibilities	Project Management			
	`2012/13	`2013/14	`2014/15	2015/16
Asset Value				7,746
Capital Implications	Maintanance cost and financing			
Future Purpose of Asset	To make provision for treatment of waste water			
Describe Key Issues	Fast growing community			
Policies in Place to Manage Asset	Assest Management Policy			
Asset 2				
Name	Infrastructure: Santa, Site Saviva, Riemvasmaak			
Description	Upgrading of Electrical Networks in Caledon			
Asset Type	Fixed Asset			
Key Staff Involved	F du Toit			
Staff Responsibilities	Project Management			
	`2012/13	`2013/14	`2014/15	2015/16
Asset Value				5,000
Capital Implications	Maintanance cost and financing			
Future Purpose of Asset	To make provision for Electricity supply for new Housing Development			
Describe Key Issues	Fast growing community			
Policies in Place to Manage Asset	Assest Management Policy			
Asset 3				
Name	New Steenbras Reservoir			
Description	Grabouw Waste Water Treatment Plant			
Asset Type	Fixed Asset			
Key Staff Involved	N Kayser			
Staff Responsibilities	Project Management			
	`2012/13	`2013/14	`2014/15	2015/16
Asset Value				3,526
Capital Implications	Maintanance cost and financing			
Future Purpose of Asset	To make provision for treatment of waste water			
Describe Key Issues	Fast growing community			
Policies in Place to Manage Asset	Assest Management Policy			
				T5.3.2

# Chapter 5

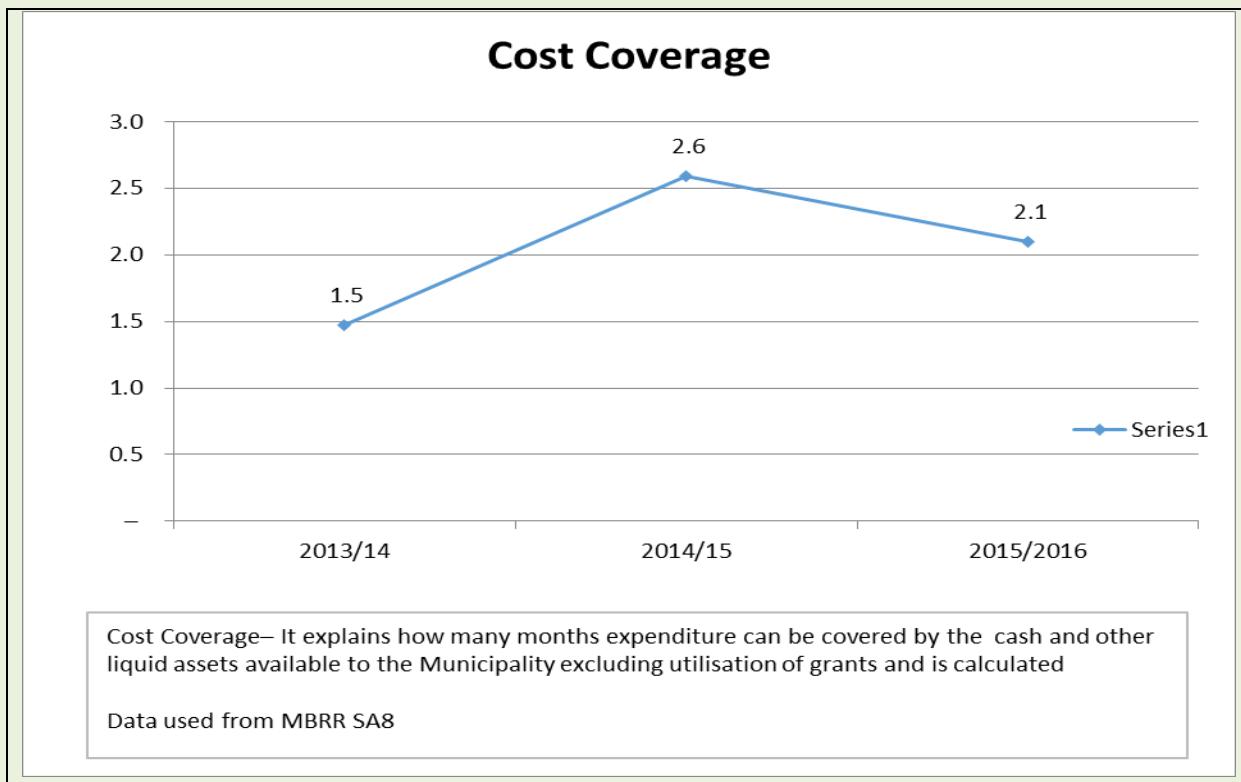
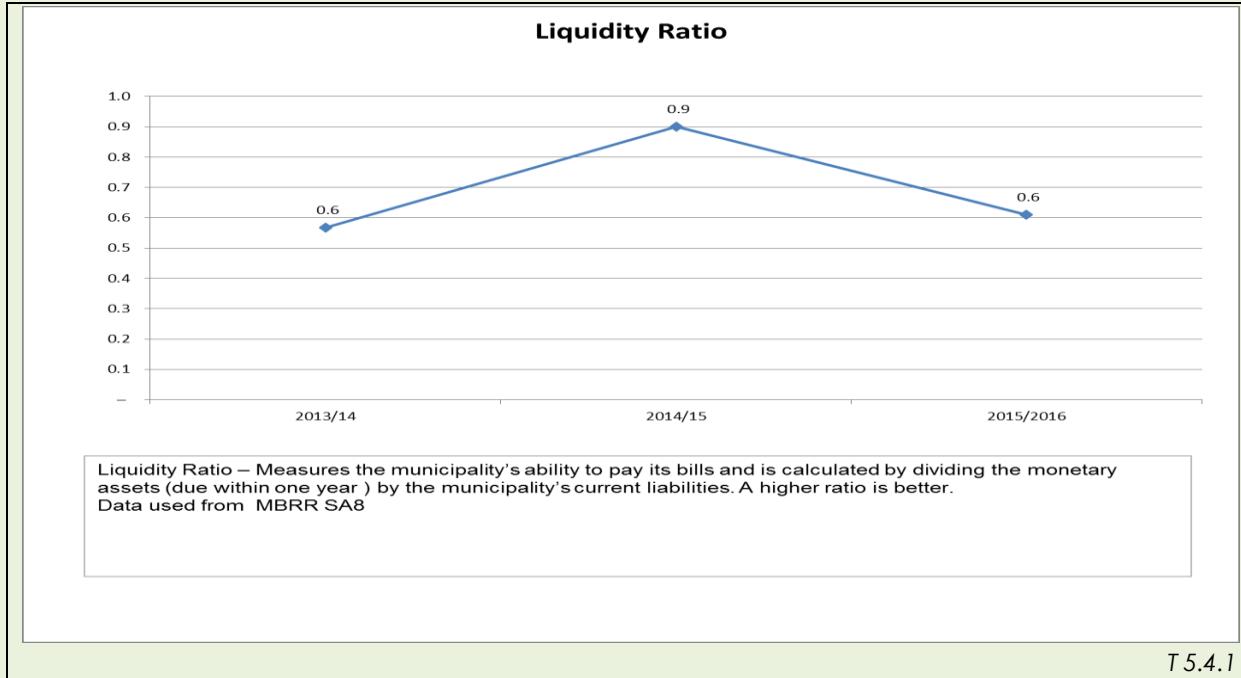
Repair and Maintenance Expenditure: 2015/16				
	R' 000			
	Original Budget	Adjustment Budget	Actual	Budget variance
Repairs and Maintenance Expenditure	26,418	25,997	23,837	8.31%
			T5.3.4	

## REPAIR AND MAINTENANCE EXPENDITURE:

The introduction of mSCOA in 2017/18 will bring this allocation closer to the National Treasury guideline of 10% against Total Expenditure. Repairs and Maintenance will make up 5.7% of Total Expenditure in 2016/17; from a low base of 5% in the past. During the 2015/16 financial year the municipality's total expenditure on repairs and maintenance amounted to R23, 8 million representing 5.4% of total operating expenditure. This is a 7.8% increase from 2014/15 when the municipality spent R22.1 m on repairs and maintenance. This prove that the municipality acknowledges the importance of spending on maintenance to ensure asset function optimally and reach their expected useful life. The municipality's first priority however is to ensure that day to day service delivery proceed undisturbed and has managed to do so within the limits of the budget. A rapid year on year increase in repairs and maintenance expenditure could have negative consequences such as cash shortages that in turn could hamper essential service delivery. Routine maintenance was however performed as planned.

# Chapter 5

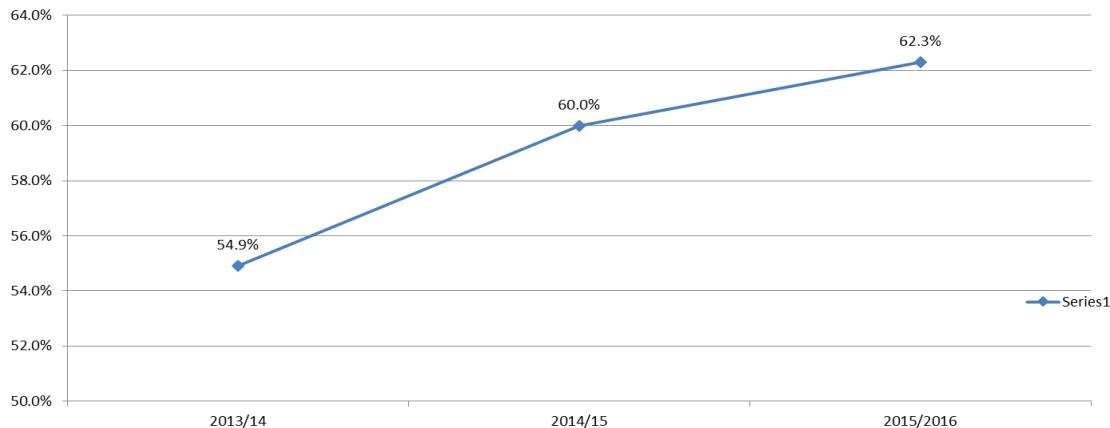
## 5.4 FINANCIAL RATIOS BASED ON KEY PERFORMANCE INDICATORS



# Chapter 5

T 5.4.2

**Total Outstanding Service Debtors**

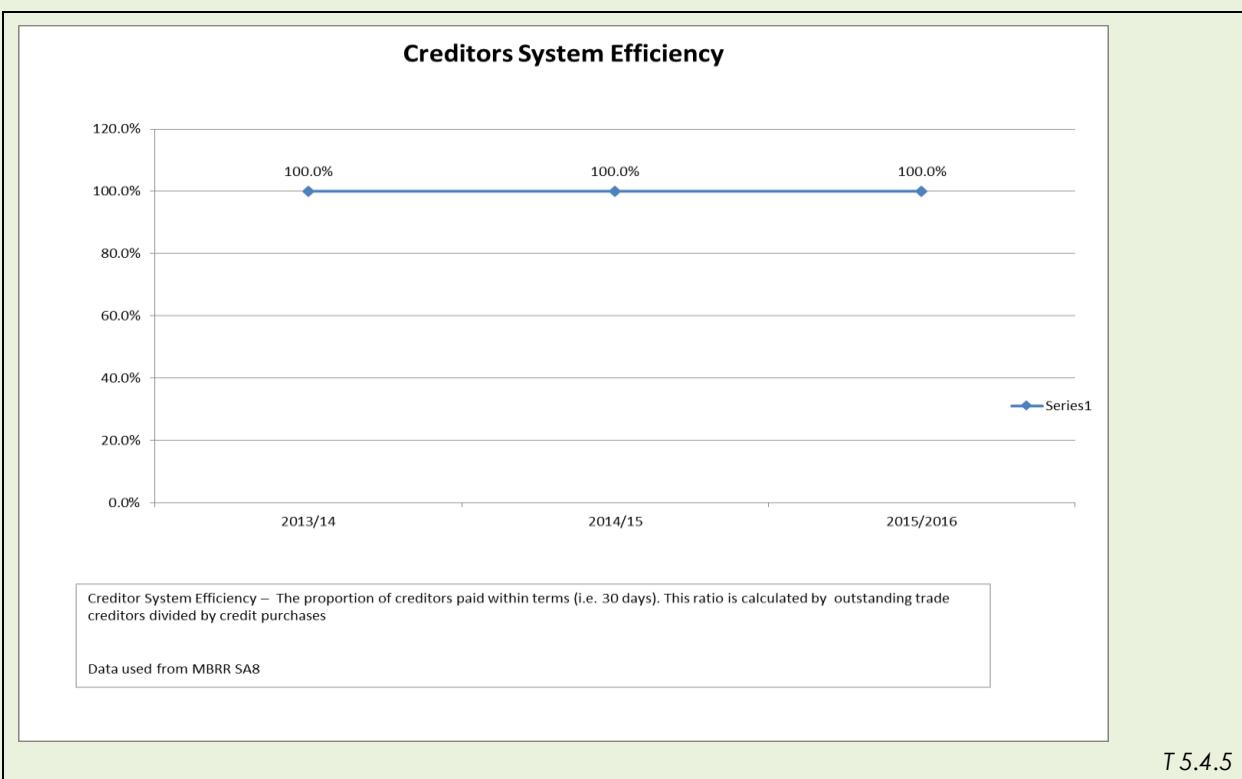
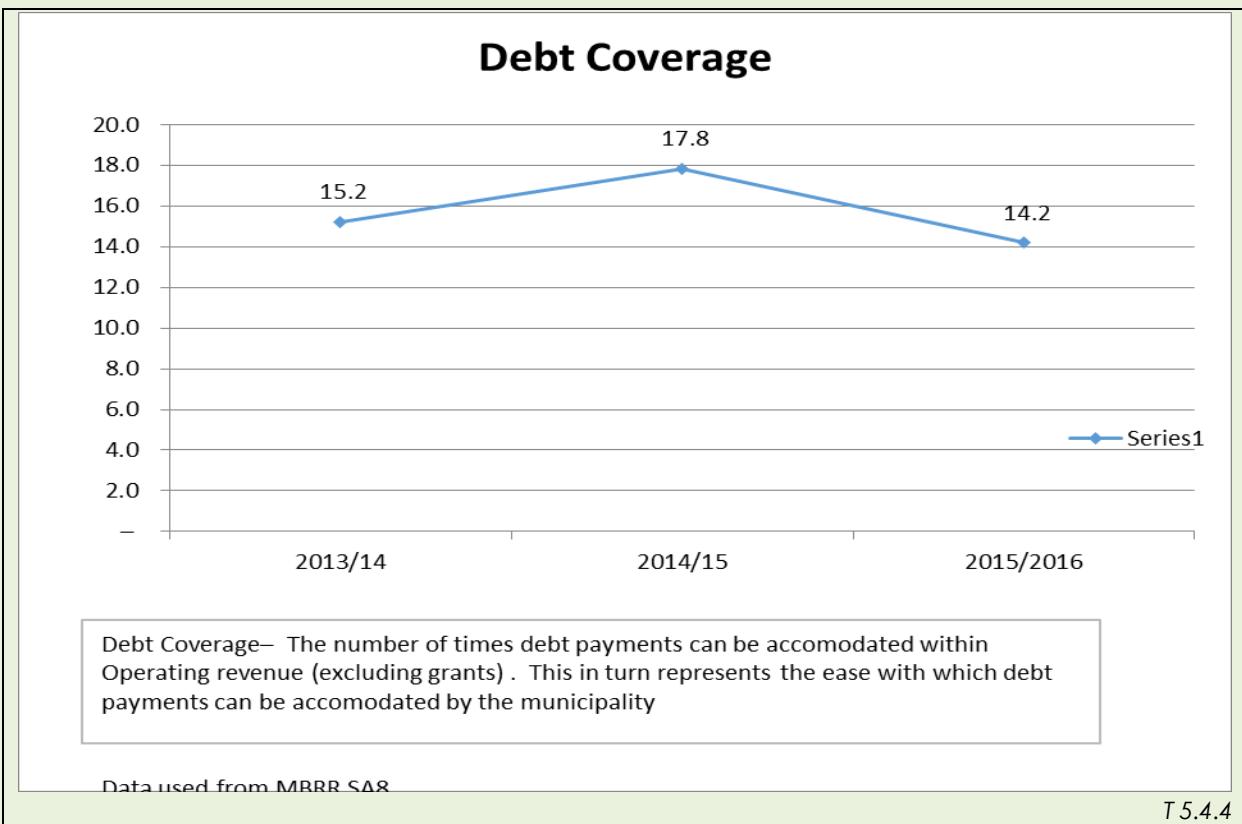


Total Outstanding Service Debtors – Measures how much money is still owed by the community for water, electricity, waste removal and sanitation compared to how much money has been paid for these services. It is calculated by dividing the total outstanding debtors by the total annual revenue. A lower score is better.

Data used from MBRR SA8

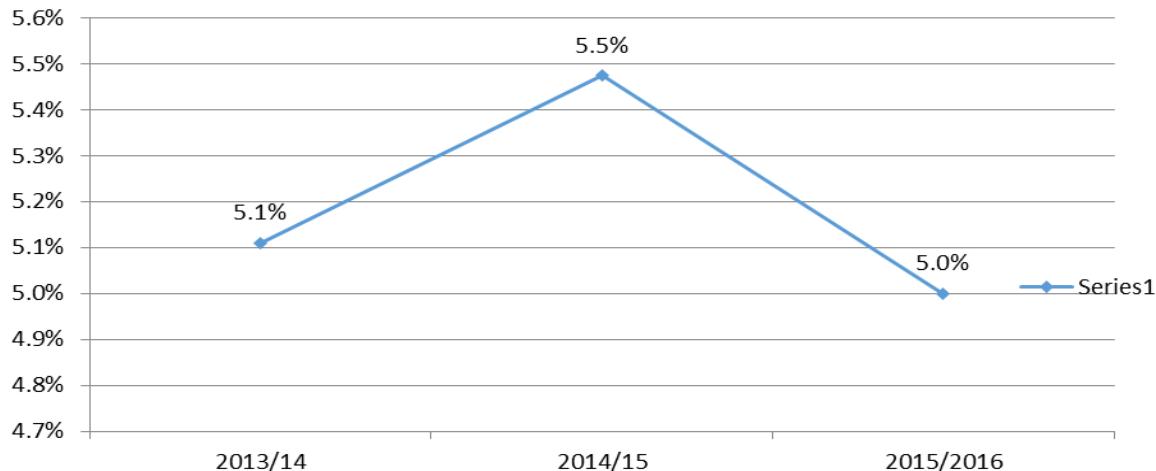
T 5.4.3

# Chapter 5



# Chapter 5

## Capital Charges to Operating Expenditure

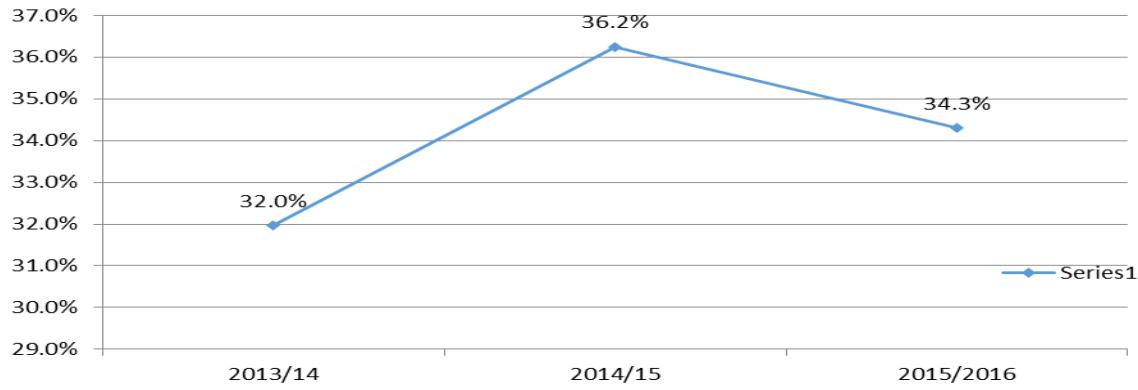


Capital Charges to Operating Expenditure ratio is calculated by dividing the sum of capital interest and principle paid by the total operating expenditure.

Data used from MBRR SA8

T 5.4.6

## Employee Costs

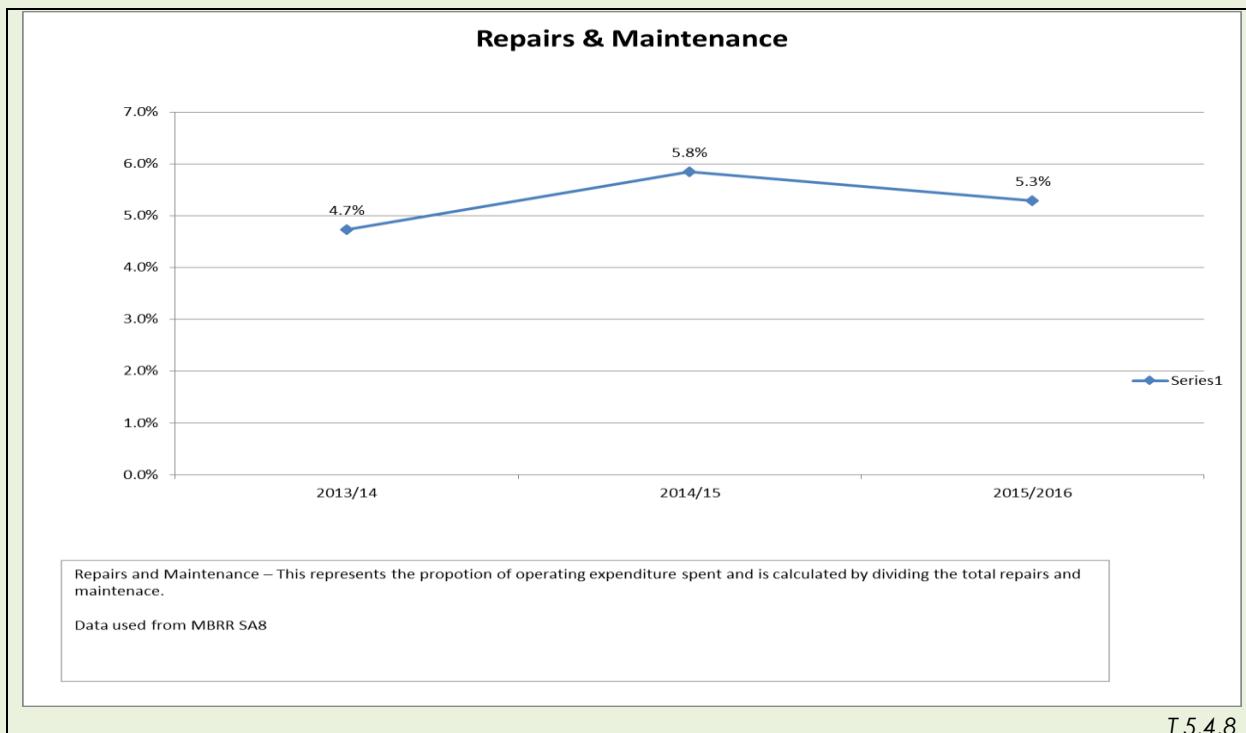


Employee cost – Measures what portion of the revenue was spent on paying employee costs. It is calculated by dividing the total employee cost by the difference between total revenue and capital revenue.

Data used from MBRR SA8

T 5.4.7

# Chapter 5



T 5.4.8

#### COMMENT ON FINANCIAL RATIOS:

The result of the ratio between Current Assets and Current Liabilities reflects directly on the management of Theewaterskloofs liquidity position. At the very minimum the current assets should at least cover current liabilities at a ratio of 1:1 and for a healthy position the ratio should exceed 2:1. Theewaterskloof's liquidity ratio remained relatively constant over the last three financial years. The ratio is currently managed at just below satisfactory level of 1.2:1 and it is essential for Theewaterskloof to carefully manage the increases in Creditors and Short Term Provisions and in turn make the necessary cash provisions in order to be in a position to fulfill its short term obligations in the future.

The cost coverage ratio indicates the Municipality's ability to meet at least its monthly fixed operating commitments from cash and short-term investment without collecting any additional revenue, during that month. The norm set by National Treasury is that a municipality should have between one and three months cash to cover its monthly fixed expenses. Theewaterskloofs cost coverage position improved significantly over the last three years from having 1.5 months cash available in 2013/14 to more than 2 months available cash in 2014/15 and 2015/16.

The ratio for outstanding service debtors slightly deteriorated from 55% to 62% despite much effort having been made over the last few years to improve debtor management and collection percentage. We will continue our efforts to reduce this ratio to within acceptable levels. The debt coverage ratio decreased from 17.8 in 2014/15 to 14.2 in 2015/16.

Theewaterskloof always ensure compliance with the MFMA requirement that all creditors must be paid within 30 days. When a municipality struggles to pay all creditors within 30 days it could be an indication of liquidity challenges and failing to pay creditors on time could result in fruitless and wasteful expenditure in the form of interest and could negatively affect service delivery as suppliers will become reluctant to transact with the municipality.

# Chapter 5

Capital Charges: This ratio showed a positive decline from 5.5% in 2014/15 to 5% 2015/16 a result of the municipality's management and awareness of the cost of borrowing.

See financial health overview for comments relating to employee expenditure as well as expenditure on repairs and maintenance.

T 5.4.9

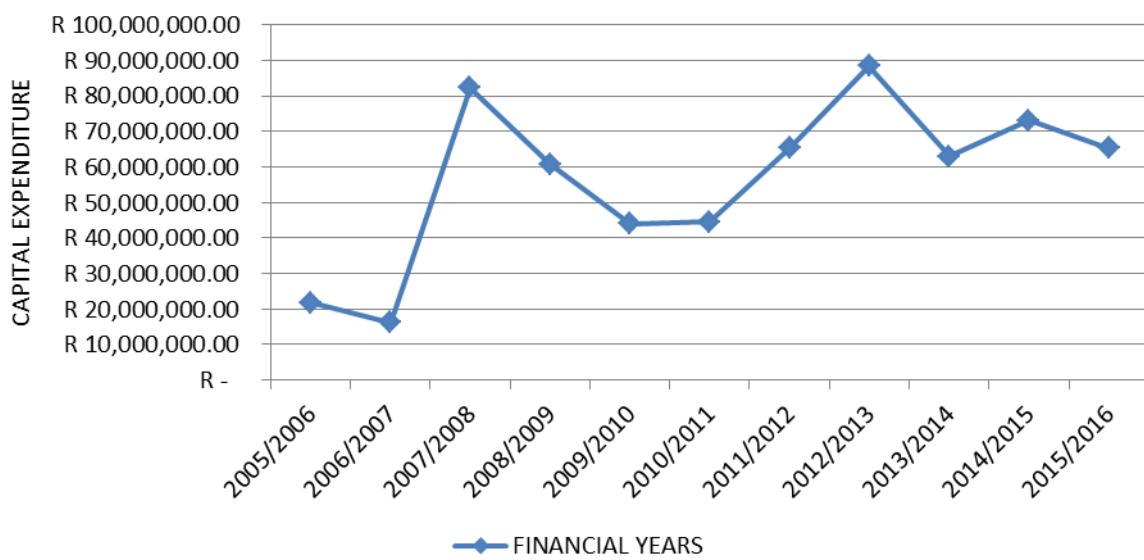
# Chapter 5

## COMPONENT B: SPENDING AGAINST CAPITAL BUDGET

### INTRODUCTION TO SPENDING AGAINST CAPITAL BUDGET

Capital expenditure relates mainly to construction projects that will have value lasting over many years. Capital expenditure is funded from grants, borrowings and operating expenditures and surpluses. The municipality recently adopted its long-term financial plan. One of the main focus of the plan was to identify future capital needs (demand) and the funding sources thereof (affordability). As indicated by the table below the municipality has shown tremendous growth in its capital expenditure and percentage of capital budget spent. Over the last 11 years the municipality has invested R625m into capital assets. The municipality nevertheless face tough challenges over the coming 10 years as illustrated in the long term financial plan. The capital demand over the next 10 financial years is estimated at R1484m measured against what the municipality can afford estimated at R895m financed from various sources. 2012/13 remains the municipalities highlight in terms of capital expenditure illustrating that the municipality has the institutional ability to handle large capital projects.

### CAPITAL EXPENDITURE PER FINANCIAL YEAR



In 2015/16 Theewaterskloof municipality budgeted R60,937m for capital expenditure. This was then adjusted to R79,791m. The actual capital expenditure for the year 2015/16 amounted to R65, 231m, effectively meaning that 82% of the capital budget has been spent. The funds not spent was largely due to the following project funds significantly underspending

Housing: R4.1million

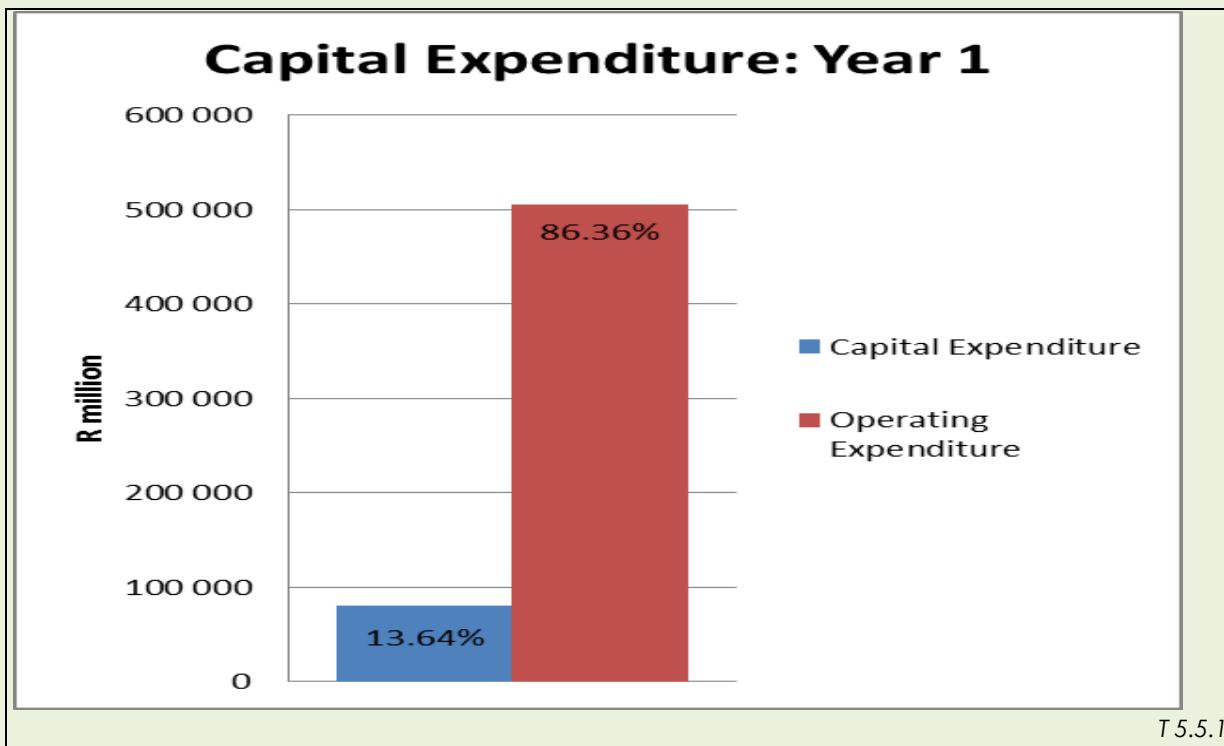
Steenbras Reservoir: R1m

Caledon and Grabouw Cemeteries: R780 000

# Chapter 5

Grabouw Sports facilities: R800 000

## 5.5 CAPITAL EXPENDITURE



# Chapter 5

## 5.6 SOURCES OF FINANCE

Capital Expenditure - Funding Sources Year 2013 to 2015						
Details	2014/15	2015/16				
	Actual	Original Budget (OB)	Adjustment Budget	Actual	Adjustment to OB Variance (%)	Actual to OB Variance (%)
<b>Source of finance</b>						
External loans		11,550	12,313		6.60%	-100.00%
Public contributions and donations						
Grants and subsidies	59,838	38,617	41,544	36,710	7.58%	-4.94%
Other	13,289	10,806	25,934	28,521	139.99%	163.93%
<b>Total</b>	<b>73,127</b>	<b>60,973</b>	<b>79,791</b>	<b>65,231</b>	<b>154.18%</b>	<b>58.99%</b>
<i>Percentage of finance</i>						
External loans	0.0%	18.9%	15.4%	0.0%	4.3%	-169.5%
Public contributions and donations	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Grants and subsidies	81.8%	63.3%	52.1%	56.3%	4.9%	-8.4%
Other	18.2%	17.7%	32.5%	43.7%	90.8%	277.9%
<b>Capital expenditure</b>						
Water and sanitation	18,565	7,526	13,652	9,581	81.39%	27.30%
Electricity	7,470	11,450	13,537	12,756	18.23%	11.40%
Housing	29,555	8,900	11,682	7,069	31.26%	-20.57%
Roads and storm water	3,303	3,800	3,929	3,518	3.40%	-7.43%
Other	14,234	29,296	36,991	32,307	26.26%	10.28%
<b>Total</b>	<b>73,128</b>	<b>60,973</b>	<b>79,791</b>	<b>65,231</b>	<b>160.54%</b>	<b>20.98%</b>
<i>Percentage of expenditure</i>						
Water and sanitation	25.4%	12.3%	17.1%	14.7%	50.7%	130.1%
Electricity	10.2%	18.8%	17.0%	19.6%	11.4%	54.3%
Housing	40.4%	14.6%	14.6%	10.8%	19.5%	-98.0%
Roads and storm water	4.5%	6.2%	4.9%	5.4%	2.1%	-35.4%
Other	19.5%	48.0%	46.4%	49.5%	16.4%	49.0%
					T5.6.1	

# Chapter 5

## COMMENT ON SOURCES OF FUNDING:

The municipality financed the largest part of its capital expenditure through grant funding (56%) once again indicating the municipalities reliance on grant funding. The rest of the capital expenditure was funded from own funds. The variance between original budget, adjustment budget and actual budget is largely attributable to the following factors. Grant funding roll-overs are only approved after the original budget has been approved, the municipality therefore cannot include this in its original budget because of the uncertainty of rollover approval. MFMA clearly states that revenue can only be raised from realistically anticipated revenue. Secondly the municipality anticipated that it would finance a larger part of its capital expenditure through external loans, however due to the large cost of borrowing in South Africa, the municipality decided to utilize its own funds from the capital replacement reserve. The capital expenditure represents 13.64% of the total expenditure. This is once again because the municipality largely relies on grant funding for capital expenditure and the largest portion of its own funds is utilized to finance operational activities of the municipalities.

T 5.6.1.1

# Chapter 5

## 5.7 CAPITAL SPENDING ON 5 LARGEST PROJECTS

Name of Project	Capital Expenditure of 5 largest projects*			R' 000	
	Original Budget	Adjustment Budget	Actual Expenditure	Original Variance (%)	Adjustment variance (%)
Upgrade Waste Water Treatment Works	12,500	11,564	9,070	27%	7%
Low cost housing projects	8,900	11,682	5,416	39%	-31%
Infrastructure: Santa, Site Saviva, Riemvasmaak	5,000	3,027	2,648	47%	39%
Grabouw Waste Water Treatment Plant	4,000	4,914	2,798	30%	-23%
Upgrade Bulk Water Storage Capacity - New Reservoir	3,526	4,119	2,384	32%	-17%

\* Projects with the highest capital expenditure in Year 1

Name of Project - A	Low cost housing projects
Objective of Project	Provision for Basic Human Settlement
Delays	
Future Challenges	
Anticipated citizen benefits	

Name of Project - B	Upgrading of Sport Facilities
Objective of Project	Upgrading of Sport Facilities within the municipal Area
Delays	
Future Challenges	
Anticipated citizen benefits	

Name of Project - C	Grabouw Waste Water Treatment Plant
Objective of Project	Treatment of domestic waste generated through the sewerage system
Delays	
Future Challenges	
Anticipated citizen benefits	

Name of Project - D	Upgrading of Villiersdorp Waste Water Treatment Works
Objective of Project	Treatment of domestic waste generated through the sewerage system
Delays	
Future Challenges	
Anticipated citizen benefits	

Name of Project - E	Site Saviwa Development
Objective of Project	Upgrading of Electrical Networks in Caledon
Delays	
Future Challenges	
Anticipated citizen benefits	

T5.7.1

# Chapter 5

## 5.8 BASIC SERVICE AND INFRASTRUCTURE BACKLOGS – OVERVIEW

### INTRODUCTION TO BASIC SERVICE AND INFRASTRUCTURE BACKLOGS

Access to basic services within South Africa is a basic human right. It is also an indication of the quality of life of the inhabitants in the country. Access to basic services has a wider impact on education and health and therefore also on the economy. Of the four local municipalities within the Overberg District, Theewaterskloof has the largest population which is estimated at 117657 in 2016. This total gradually increases across the 2015/16 MTREF years and is projected to reach 125 505 by 2020. In addition to population projections, the projections on the number of households form the basis of municipal service delivery planning and essentially inform budget allocations towards basic services such as water, electricity, sanitation and refuse removal. It is therefore vital that for budget planning and implementation purposes a municipality rely on credible and accurate household estimates. The total number of households in the Theewaterskloof Municipality was estimated at 33 907 in 2016 14.1% growth on 2011 census figures. . With agriculture being one of the biggest employer in the region it is also the biggest contributing factor to the migration phenomena into the region. The seasonality factor of agricultural employment causes people to move into the area during certain parts of the year and then remaining in the area even when agricultural employment cease. These people now become the responsibility of the municipality, as they must receive services, housing even though they have no income to pay for these. This places a large financial and infrastructure burden on the municipality. The cost to provide free basic services was more than R16,5m during the 2015/16 financial year, a R2.5m rand increase from the previous financial year.

TWK prides itself in providing all households with at least the minimum service levels.

Service Backlogs as at 2015/16				
	*Service level above minimum standard		Households (HHs)	
	No. HHs	% HHs	No. HHs	% HHs
Water	31144	97%	868	3%
Sanitation	31144	96%	1377	4%
Electricity	6577	90%	700	10%
Waste management	32521	100%		-
Housing	248	5%	4740	95%

*% HHs are the service above/below minimum standard as a proportion of total HHs. 'Housing' refers to \*formal and \*\*informal settlements.*

T5.8.2

# Chapter 5

Municipal Infrastructure Grant (MIG)* Expenditure 2015/16 on Service backlogs						R' 000
Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)
				Budget	Adjustments Budget	
<b>Infrastructure - Road transport</b>	3,000	183	183	-1536%	0%	
Roads, Pavements & Bridges	3,000	183	183	-1536%	0%	
Storm water	—	—	—			
<b>Infrastructure - Electricity</b>	830	1 510	1 506	44.9%	-0.3%	
Generation						
Transmission & Reticulation						
Street Lighting	830	1 510	1 506	44.9%	-0.3%	
<b>Infrastructure - Water</b>	2,492	3,816	3,816	35%	0%	
Dams & Reservoirs						
Water purification		—	—			
Reticulation	2,492	3 816	3 816	35%	0%	
<b>Infrastructure - Sanitation</b>	12,500	13,312	13,312	6%	0%	
Reticulation	2,500	4,249	4,249	41%	0%	
Sewerage purification	10,000	9,064	9,064	-10%	0%	
<b>Infrastructure - Other</b>	3,000	3,000	3,000	0%	0%	
Waste Management	3,000	3,000	3,000	0%	0%	
Transportation						
Gas						
<b>Other Specify:</b>	—	—	—			
Sport						
<b>Total</b>	21,822	21,822	21,818	0%	0%	

\* MIG is a government grant program designed to fund a reduction in service backlogs, mainly: Water; Sanitation; Roads; Electricity. Expenditure on new, upgraded and renewed infrastructure is set out at Appendix M; note also the calculation of the variation. Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual.

T 5.8.3

## COMMENT ON BACKLOGS:

**Delete Directive note once comment is completed** - Comment on how MIG grants have been utilised to redress the backlogs and on the variances in T 5.8.3. If appropriate, comment that **Appendix P** contains details of schools and clinics that have been established that do not have ready access to one or more basic services and **Appendix Q** contains details of those services provided by other spheres of government (whether the municipality is involved on an agency basis or not) that carry significant backlogs.

T 5.8.4

# Chapter 5

## COMPONENT C: CASH FLOW MANAGEMENT AND INVESTMENTS

There has been an improvement in the overall cash position of the municipality as a result of a cash based budget and improved cash management, increased debt collection rate as well as more cost reflective tariffs. The cash position of the municipality was further strengthened by an increase in proceeds from assets disposal amounting to R5, 755m in the 2014/15 financial year. The municipality's cash position increased from R27, 544m 2012/13 to R38m in 2013/14 representing an increase of R10, 483m. The municipality's cash position further improved in the 2014/15 financial year from R38, 027m to R68, 462m, an increase of R30, 434 from the previous financial year. The municipalities cash position slightly deteriorated during the 2015/16 financial year and amounts to R56,4m at 30 June 2016. This is largely due to the municipality's preference to finance capital expenditure from the Capital Replacement Reserve and not from external loans. The municipality also received R5m from the sale of assets while no funds were received from the sale of assets in 2015/16. The municipality also increased its redemption of loans from R6m in 2014/15 to R7m in 2015/16.

# Chapter 5

## 5.9 CASH FLOW

Description	Cash Flow Outcomes				R'000	
	Current Year: 2015/16					
	Audited Outcome	Original Budget	Adjusted Budget	Actual		
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>						
<b>Receipts</b>						
Ratepayers and other	217 706	239 588	273 556	246 759		
Government - operating	120 878	136 386	150 235	117 322		
Government - capital	63 143	38 617	39 788	37 721		
Interest	11 564	8 338	11 304	15 294		
Dividends						
<b>Payments</b>						
Suppliers and employees	(285 617)	(368 260)	(403 012)	(343 301)		
Finance charges	(11 877)	(12 196)	(12 196)	(11 206)		
Transfers and Grants	(1 351)	(1 000)	(1 500)	(1 214)		
<b>NET CASH FROM/(USED) OPERATING ACTIVITIES</b>	<b>114 445</b>	<b>41 472</b>	<b>58 174</b>	<b>61 375</b>		
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
<b>Receipts</b>						
Proceeds on disposal of PPE	5 755	2 247	-	-		
Decrease (Increase) in non-current debtors						
Decrease (increase) other non-current receivables			7			
Decrease (increase) in non-current investments	(9 642)		9 832	(894)		
<b>Payments</b>						
Capital assets	(73 384)	(60 973)	(79 791)	(65 231)		
<b>NET CASH FROM/(USED) INVESTING ACTIVITIES</b>	<b>(77 271)</b>	<b>(58 726)</b>	<b>(69 952)</b>	<b>(66 125)</b>		
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>						
<b>Receipts</b>						
Short term loans						
Borrowing long term/refinancing	-	11 550	15 331	-		
Increase (decrease) in consumer deposits	233	233	234	404		
<b>Payments</b>						
Repayment of borrowing	(6 973)	(6 974)	(7 626)	(7 675)		
<b>NET CASH FROM/(USED) FINANCING ACTIVITIES</b>	<b>(6 740)</b>	<b>4,809</b>	<b>7,939</b>	<b>(7 270)</b>		
<b>NET INCREASE/ (DECREASE) IN CASH HELD</b>	<b>30 435</b>	<b>(12 445)</b>	<b>(3 839)</b>	<b>(12 020)</b>		
Cash/cash equivalents at the year begin:	38 028	34 859	68 463	68 463		
Cash/cash equivalents at the year end:	68 463	22 414	64 624	56 442		
Source: MBRR SA7					T5.9.1	

# Chapter 5

## COMMENT ON CASH FLOW OUTCOMES:

As can be seen from the above cash flow statement TWK is not facing any real cash flow problems as at 30 June 2016. However it is important that this position is maintained and improved. The municipality cash position did weaken by a good R12m rand (as explained in the previous section). The largest contributors to municipal cash are ratepayers and government grant and subsidies. The cost coverage ratio of 2.1 is also a good indicator that the municipality's cash position is within the national norms. The municipality will strive to improve its cash position in 2016/17.

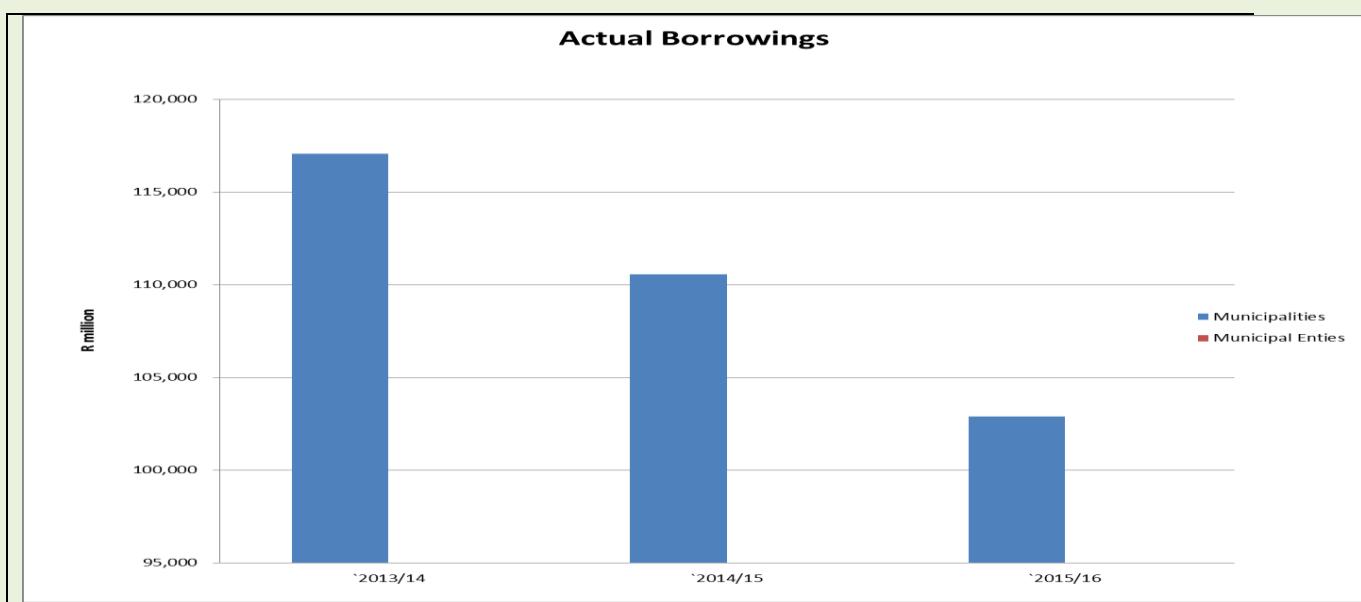
### 5.10 BORROWING AND INVESTMENTS

Any growing urban area requires substantial investments in infrastructure, and there are very few municipalities who receive enough in capital grants from national governments to finance all their requirements. This shortfall requires that municipalities look for alternative funding sources, or face the prospect that infrastructure backlogs become insurmountable, with serious negative implications for the quality of life and the economic growth of the urban area. One of these funding sources is to take up loans. Although taking up loans is an acceptable alternative financing source, particularly for huge infrastructure projects, the cost of credit must be considered and one has to strike a balance between community needs and affordability. It should always be remembered that the decision on loans today could pose major affordability risks for future generations.

As already alluded to elsewhere in this report, the municipality made a conscious decision that loans will only be taken up as a measure of counter funding or in circumstances where the capital investment will yield sufficient additional revenue to cover the debt servicing costs. The municipality continue to strive to maintain its external loan exposure within the prudential limits of 40% of own revenue. Long term liabilities decreased in 2015/16, and it remains within the 40% limit. Borrowings reduced from R102m in 2014/15 to R95 in 2015/16 as no loans were taken up.

# Chapter 5

Actual Borrowings 2013 to 2015			
	R' 000		
Instrument	2013/14	2014/15	2015/16
<b>Municipality</b>			
Long-Term Loans (annuity/reducing balance)	99,977	93,069	85,579
Long-Term Loans (Stock loans)	17,023	17,023	17,023
Local registered stock			
Instalment Credit			
Financial Leases	65	458	273
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Municipality Total</b>	<b>117,065</b>	<b>110,550</b>	<b>102,875</b>
<b>Municipal Entities</b>			
Long-Term Loans (annuity/reducing balance)			
Long-Term Loans (Stock loans)			
Local registered stock			
Instalment Credit			
Financial Leases			
PPP liabilities			
Finance Granted By Cap Equipment Supplier			
Marketable Bonds			
Non-Marketable Bonds			
Bankers Acceptances			
Financial derivatives			
Other Securities			
<b>Entities Total</b>			
			T5.10.2



# Chapter 5

Municipal and Entity Investments			
Investment* type	R' 000		
	`2013/14 Actual	`2014/15 Actual	`2015/16 Actual
<b>Municipality</b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank	26,967	59,776	60,363
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Municipal Bonds			
Other			
<b>Municipality sub-total</b>	<b>26,967</b>	<b>59,776</b>	<b>60,363</b>
<b>Municipal Entities</b>			
Securities - National Government			
Listed Corporate Bonds			
Deposits - Bank			
Deposits - Public Investment Commissioners			
Deposits - Corporation for Public Deposits			
Bankers Acceptance Certificates			
Negotiable Certificates of Deposit - Banks			
Guaranteed Endowment Policies (sinking)			
Repurchase Agreements - Banks			
Other			
<b>Entities sub-total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Consolidated total:</b>	<b>26,967</b>	<b>59,776</b>	<b>60,363</b>
			T5.10.4

# Chapter 5

## 5.11 PUBLIC PRIVATE PARTNERSHIPS

### PUBLIC PRIVATE PARTNERSHIPS

**Delete Directive note once comment is completed** - Provide overview of agreements, contracts and projects undertaken during the year through PPP's – Refer to further details of PPP details **Appendix H**. **Table SA3 (MBRR)** may also be used to gain information on PPP's.

T 5.11.1

### COMPONENT D: OTHER FINANCIAL MATTERS

## 5.12 SUPPLY CHAIN MANAGEMENT

### SUPPLY CHAIN MANAGEMENT

**Delete Directive note once comment is completed** - Provide a brief narrative that describes the progress made by your municipality in developing and implementing policies and practices in compliance with the guidelines set out in SCM Regulations 2005. State the number of Supply Chain officials that have reached the prescribed levels required for their positions (See MFMA Competency Regulation Guidelines) and state the number of prescribed officials that are yet to reach the necessary competency levels; and set out any remarks made in the previous Auditor-General's report or the report for year 0 concerning the quality of Supply Chain Management and detail the remedial action taken. Note comments made in Chapter 2, under section 2.8.

T 5.12.1

## 5.13 GRAP COMPLIANCE

### GRAP COMPLIANCE

The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2013 (Act No. 2 of 2013) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. The Auditor-General has issued an unqualified audit opinion with no other matters on the financial statements for the past four financial years. The municipality has therefore complied with the requirements of the MFMA and DoRA and the financial statements were prepared in accordance with SA Standards of GRAP

5.13.1

T

# Chapter 6

## CHAPTER 6 – AUDITOR GENERAL AUDIT FINDINGS

The Constitution S188 (1) (b) states that the functions of the Auditor-General includes the auditing and reporting on the accounts, financial statements and financial management of all municipalities. MSA section 45 states that the results of performance measurement... must be audited annually by the Auditor-General.

### COMPONENT A: AUDITOR-GENERAL OPINION OF FINANCIAL STATEMENTS YEAR -1

#### 6.1 AUDITOR GENERAL REPORTS YEAR -2014/15 (PREVIOUS YEAR)

#### REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT AND THE COUNCIL ON THEEWATERSKLOOF MUNICIPALITY

#### REPORT ON THE FINANCIAL STATEMENTS

##### Introduction

1. I have audited the financial statements of the Theewaterskloof Municipality set out on pages 3 to 86, which comprise the statement of financial position as at 30 June 2015, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

##### Accounting officer's responsibility for the financial statements

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2014 (Act No. 10 of 2014) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

##### Auditor-general's responsibility

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

# Chapter 6

5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## **Opinion**

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Theewaterskloof Municipality as at 30 June 2015 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA.

## **Emphasis of matters**

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

## **Material impairments**

8. As disclosed in notes 20 and 21 to the financial statements, receivables have been significantly impaired. The impairment allowance amounts to R118 million (77% of gross receivables) of which R76.8 million (50% of gross receivables) relates to services debtors.

## **Restatement of corresponding figures**

9. As disclosed in note 39 to the financial statements, the corresponding figures for 30 June 2014 have been restated as a result of errors discovered during the 2014-15 financial year in the financial statements of Theewaterskloof Municipality at, and for the year ended, 30 June 2014.

## **Material underspending of the budget**

10. As disclosed in note 44.1 to the financial statements the municipality has underspent on its final approved capital budget to the amount of R12 million (2013-14: R7.1 million).

## **Additional matters**

11. I draw attention to the matters below. My opinion is not modified in respect of these matters.

## **Unaudited supplementary schedules**

12. The supplementary information set out on pages 87 to 95 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and accordingly I do not express an opinion thereon.

## **Unaudited disclosure notes**

13. In terms of section 125(2)(e) of the MFMA the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and accordingly I do not express an opinion thereon.

## **Report on other legal and regulatory requirements**

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported

# Chapter 6

performance information against predetermined objectives for selected objectives presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading, but not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

## **Predetermined objectives**

15. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected objectives presented in the annual performance report of the municipality for the year ended 30 June 2015:
  - Strategic objective 4: Infrastructure and bulk upgrades on pages 59 to 67
  - Strategic objective 5: Improved environmental management on pages 61 to 62
  - Strategic objective 6: Increased community safety on page 57
  - Strategic objective 7: Develop integrated and sustainable human settlements on page 53 to 55
16. I evaluated the reported performance information against the overall criteria of usefulness and reliability.
17. I evaluated the usefulness of the reported performance information to determine whether it was presented in accordance with the National Treasury's annual reporting principles and whether the reported performance was consistent with the planned objectives. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's *Framework for managing programme performance information*.
18. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
19. I did not identify any material findings on the usefulness and reliability of the reported performance information for the selected objectives.

## **Additional matters**

20. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected objectives, I draw attention to the following matters:

## **Achievement of planned targets**

21. Refer to the annual performance report on page 48 to 67 for information on the achievement of the planned targets for the year.

## **Unaudited supplementary information**

22. The supplementary information set out on pages 68 to 169 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not report thereon.

## **Compliance with legislation**

23. I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not

# Chapter 6

identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

## Internal control

24. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. I did not identify any significant deficiencies in internal control.

*Auditor-General*

Cape Town

30 November 2015



# Chapter 6

## COMPONENT B: AUDITOR-GENERAL OPINION YEAR 2015/16 (CURRENT YEAR)

### 6.2 AUDITOR GENERAL REPORT YEAR 2015-2016

#### REPORT OF THE AUDITOR-GENERAL TO THE WESTERN CAPE PROVINCIAL PARLIAMENT AND THE COUNCIL ON THE THEEWATERSKLOOF MUNICIPALITY

#### REPORT ON THE FINANCIAL STATEMENTS

##### INTRODUCTION

1. I have audited the financial statements of the Theewaterskloof Municipality set out on pages 3 to 90, which comprise the statement of financial position as at 30 June 2016, the statement of financial performance, statement of changes in net assets, cash flow statement and statement of comparison of budget and actual amounts for the year then ended, as well as the notes, comprising a summary of significant accounting policies and other explanatory information.

##### ACCOUNTING OFFICER'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

2. The accounting officer is responsible for the preparation and fair presentation of these financial statements in accordance with South African Standards of Generally Recognised Accounting Practice (SA Standards of GRAP) and the requirements of the Municipal Finance Management Act of South Africa, 2003 (Act No. 56 of 2003) (MFMA) and the Division of Revenue Act of South Africa, 2015 (Act No. 1 of 2015) (DoRA), and for such internal control as the accounting officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

##### AUDITOR-GENERAL'S RESPONSIBILITY

3. My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with International Standards on Auditing. Those standards require that I comply with ethical requirements, and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the municipality's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the municipality's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.
5. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

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## OPINION

6. In my opinion, the financial statements present fairly, in all material respects, the financial position of the Theewaterskloof Municipality as at 30 June 2016 and its financial performance and cash flows for the year then ended, in accordance with SA Standards of GRAP and the requirements of the MFMA and DoRA.

## EMPHASIS OF MATTERS

7. I draw attention to the matters below. My opinion is not modified in respect of these matters.

## RESTATEMENT OF CORRESPONDING FIGURES

8. As disclosed in note 39 to the financial statements, the corresponding figures for 30 June 2016 have been restated as a result of errors discovered during 2015-16 in the financial statements of the municipality at, and for the year ended, 30 June 2015.

## MATERIAL IMPAIRMENTS

9. As disclosed in notes 21 and 22 to the financial statements, receivables were significantly impaired. The impairment allowance amounted to R139,7 million (2014-15: R118,0 million), of which R91,5 million (2014-15: R76,8 million) related to services debtors.
10. As disclosed in note 13 to the financial statements, property, plant and equipment with a carrying value of R5,8 million was written off. This largely related to a building impaired as a result of a fire.

## ADDITIONAL MATTERS

11. I draw attention to the matters below. My opinion is not modified in respect of these matters.

## UNAUDITED SUPPLEMENTARY SCHEDULES

12. The supplementary information set out on pages 91 to 99 does not form part of the financial statements and is presented as additional information. I have not audited these schedules and, accordingly, I do not express an opinion thereon.

## UNAUDITED DISCLOSURE NOTES

13. In terms of section 125(2)(e) of the MFMA, the municipality is required to disclose particulars of non-compliance with the MFMA. This disclosure requirement did not form part of the audit of the financial statements and, accordingly, I do not express an opinion thereon.

## REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

14. In accordance with the Public Audit Act of South Africa, 2004 (Act No. 25 of 2004) (PAA) and the general notice issued in terms thereof, I have a responsibility to report findings on the reported performance information against predetermined objectives for selected key performance areas presented in the annual performance report, compliance with legislation and internal control. The objective of my tests was to identify reportable findings as described under each subheading, but

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not to gather evidence to express assurance on these matters. Accordingly, I do not express an opinion or conclusion on these matters.

## **PREDETERMINED OBJECTIVES**

15. I performed procedures to obtain evidence about the usefulness and reliability of the reported performance information for the following selected key performance areas presented in the annual performance report of the municipality for the year ended 30 June 2016:
  - Key performance area: financial viability on pages 52 to 56 and 79
  - Key performance area: basic service delivery on pages 61 to 78
16. I evaluated the usefulness of the reported performance information to determine whether it was consistent with the planned key performance areas. I further performed tests to determine whether indicators and targets were well defined, verifiable, specific, measurable, time bound and relevant, as required by the National Treasury's Framework for Managing Programme Performance Information.
17. I assessed the reliability of the reported performance information to determine whether it was valid, accurate and complete.
18. I did not identify any material findings on the usefulness and reliability of the reported performance information for the following key performance areas:
  - Financial viability
  - Basic service delivery

## **ADDITIONAL MATTERS**

19. Although I identified no material findings on the usefulness and reliability of the reported performance information for the selected key performance areas, I draw attention to the following matters:

## **ACHIEVEMENT OF PLANNED TARGETS**

20. Refer to the annual performance report on pages 52 to 56 and 61 to 79 for information on the achievement of the planned targets for the year.

## **UNAUDITED SUPPLEMENTARY INFORMATION**

21. The supplementary information set out on pages 46 to 49 and 81 to 154 does not form part of the annual performance report and is presented as additional information. I have not audited these schedules and, accordingly, I do not express a conclusion thereon.

## **COMPLIANCE WITH LEGISLATION**

22. I performed procedures to obtain evidence that the municipality had complied with applicable legislation regarding financial matters, financial management and other related matters. I did not identify any instances of material non-compliance with specific matters in key legislation, as set out in the general notice issued in terms of the PAA.

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## INTERNAL CONTROL

23. I considered internal control relevant to my audit of the financial statements, annual performance report and compliance with legislation. I did not identify any significant deficiencies in internal control.

Auditor - General

Century City

30 November 2016



### COMMENTS ON MFMA SECTION 71 RESPONSIBILITIES:

Section 71 of the MFMA requires municipalities to return a series of financial performance data to the National Treasury at specified intervals throughout the year. The Chief Financial Officer states that these data sets have been returned according to the reporting requirements.

Signed (Chief Financial Officer)..... Dated

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## GLOSSARY

<b>Accessibility indicators</b>	Explore whether the intended beneficiaries are able to access services or outputs.
<b>Accountability documents</b>	Documents used by executive authorities to give "full and regular" reports on the matters under their control to Parliament and provincial legislatures as prescribed by the Constitution. This includes plans, budgets, in-year and Annual Reports.
<b>Activities</b>	The processes or actions that use a range of inputs to produce the desired outputs and ultimately outcomes. In essence, activities describe "what we do".
<b>Adequacy indicators</b>	The quantity of input or output relative to the need or demand.
<b>Annual Report</b>	A report to be prepared and submitted annually based on the regulations set out in Section 121 of the Municipal Finance Management Act. Such a report must include annual financial statements as submitted to and approved by the Auditor-General.
<b>Approved Budget</b>	The annual financial statements of a municipality as audited by the Auditor General and approved by council or a provincial or national executive.
<b>Baseline</b>	Current level of performance that a municipality aims to improve when setting performance targets. The baseline relates to the level of performance recorded in a year prior to the planning period.
<b>Basic municipal service</b>	A municipal service that is necessary to ensure an acceptable and reasonable quality of life to citizens within that particular area. If not provided it may endanger the public health and safety or the environment.
<b>Budget year</b>	The financial year for which an annual budget is to be approved – means a year ending on 30 June.
<b>Cost indicators</b>	The overall cost or expenditure of producing a specified quantity of outputs.
<b>Distribution indicators</b>	The distribution of capacity to deliver services.
<b>Financial Statements</b>	Includes at least a statement of financial position, statement of financial performance, cash-flow statement, notes to these statements and any other statements that may be prescribed.
<b>General performance key indicators</b>	After consultation with MECs for local government, the Minister may prescribe general key performance indicators that are appropriate and applicable to local government generally.
<b>Impact</b>	The results of achieving specific outcomes, such as reducing poverty and creating jobs.
<b>Inputs</b>	All the resources that contribute to the production and delivery of outputs. Inputs are "what we use to do the work". They include finances, personnel, equipment and buildings.
<b>Integrated Development Plan (IDP)</b>	Set out municipal goals and development plans.
<b>National Key performance areas</b>	<ul style="list-style-type: none"> <li>• Service delivery &amp; infrastructure</li> <li>• Economic development</li> <li>• Municipal transformation and institutional development</li> <li>• Financial viability and management</li> <li>• Good governance and community participation</li> </ul>

# GLOSSARY

<b>Outcomes</b>	The medium-term results for specific beneficiaries that are the consequence of achieving specific outputs. Outcomes should relate clearly to an institution's strategic goals and objectives set out in its plans. Outcomes are "what we wish to achieve".
<b>Outputs</b>	The final products, or goods and services produced for delivery. Outputs may be defined as "what we produce or deliver". An output is a concrete achievement (i.e. a product such as a passport, an action such as a presentation or immunization, or a service such as processing an application) that contributes to the achievement of a Key Result Area.
<b>Performance Indicator</b>	Indicators should be specified to measure performance in relation to input, activities, outputs, outcomes and impacts. An indicator is a type of information used to gauge the extent to which an output has been achieved (policy developed, presentation delivered, service rendered)
<b>Performance Information</b>	Generic term for non-financial information about municipal services and activities. Can also be used interchangeably with performance measure.
<b>Performance Standards:</b>	The minimum acceptable level of performance or the level of performance that is generally accepted. Standards are informed by legislative requirements and service-level agreements. Performance standards are mutually agreed criteria to describe how well work must be done in terms of quantity and/or quality and timeliness, to clarify the outputs and related activities of a job by describing what the required result should be. In this EPMDS performance standards are divided into indicators and the time factor.
<b>Performance Targets:</b>	The level of performance that municipalities and its employees strive to achieve. Performance Targets relate to current baselines and express a specific level of performance that a municipality aims to achieve within a given time period.
<b>Service Delivery Budget Implementation Plan</b>	Detailed plan approved by the mayor for implementing the municipality's delivery of services; including projections of the revenue collected and operational and capital expenditure by vote for each month. Service delivery targets and performance indicators must also be included.
<b>Vote:</b>	One of the main segments into which a budget of a municipality is divided for appropriation of money for the different departments or functional areas of the municipality. The Vote specifies the total amount that is appropriated for the purpose of a specific department or functional area. Section 1 of the MFMA defines a "vote" as: a) one of the main segments into which a budget of a municipality is divided for the appropriation of money for the different departments or functional areas of the municipality; and b) which specifies the total amount that is appropriated for the purposes of the department or functional area concerned

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## APPENDICES

### APPENDIX A – COUNCILLORS; COMMITTEE ALLOCATION AND COUNCIL ATTENDANCE

Council Members	Full Time / Part Time	Committees Allocated	*Ward and/ or Party Represented	Percentage Council Meetings Attendance	Percentage Apologies for non- attendance
				%	%
Alderman C B Punt	Fulltime	Executive Mayor	DA	95%	5%
Alderman D Du Toit	Fulltime	Speaker	DA	100%	0%
Councillor P U Stanfliet	Fulltime	Operations	Ward 7 DA	95%	5%
Councillor M Tshaka	Fulltime	Technical Services	Ward 13 DA	75%	25%
Councillor K Papier	Fulltime	Development Services	Ward 3 DA	100%	0%
Councillor G Carelse	Fulltime	Corporate Services	COPE	95%	5%
Councillor M Koegelenberg	Fulltime	Financial Services	Ward 4 DA	90%	10%
Councillor N Pieterse	Part Time	Corporate Services	Ward 9 DA	90%	10%
Councillor M Nongxaza	Part Time	Corporate Services	NICO	95%	5%
Councillor J Nellie	Part Time	Corporate Services	Ward 6 ANC	70%	30%
Councillor F Mankayi	Part Time	Corporate Services	ANC	75%	25%
Councillor N Lamprecht	Part Time	Financial Services	Ward 5 DA	95%	5%
Councillor J Michels	Part Time	Financial Services	Ward 11 ANC	30%	70%
Councillor M Appel	Part Time	Financial Services	ANC	100%	0%
Councillor J Hendricks	Part Time	Financial Services	ANC	95%	5%
Councillor M Plato- Mentoor	Part Time	Development Services	Ward 10 DA	90%	10%
Councillor I Sileku	Part Time	Development Services	DA	100%	0%
Councillor P de Wet	Part Time	Development Services	ANC	75%	25%
Councillor U Sipunzi	Part Time	Development Services	Ward 12 ANC	75%	25%
Councillor K Tiemie	Part Time	Technical Services	Ward 1 DA	95%	5%
Alderman C November	Part Time	Technical Service	ANC	95%	5%
Councillor C Thembani	Part Tim	Technical Service	Ward 8 ANC	75%	25%
Councillor H Gouws	Part Time	Operations	NNP	100%	0%
Councillor M Hector	Part Time	Operations	Ward 2 DA	100%	0%
Councillor A Cupido	Part Time	Operations	ANC	100%	0%

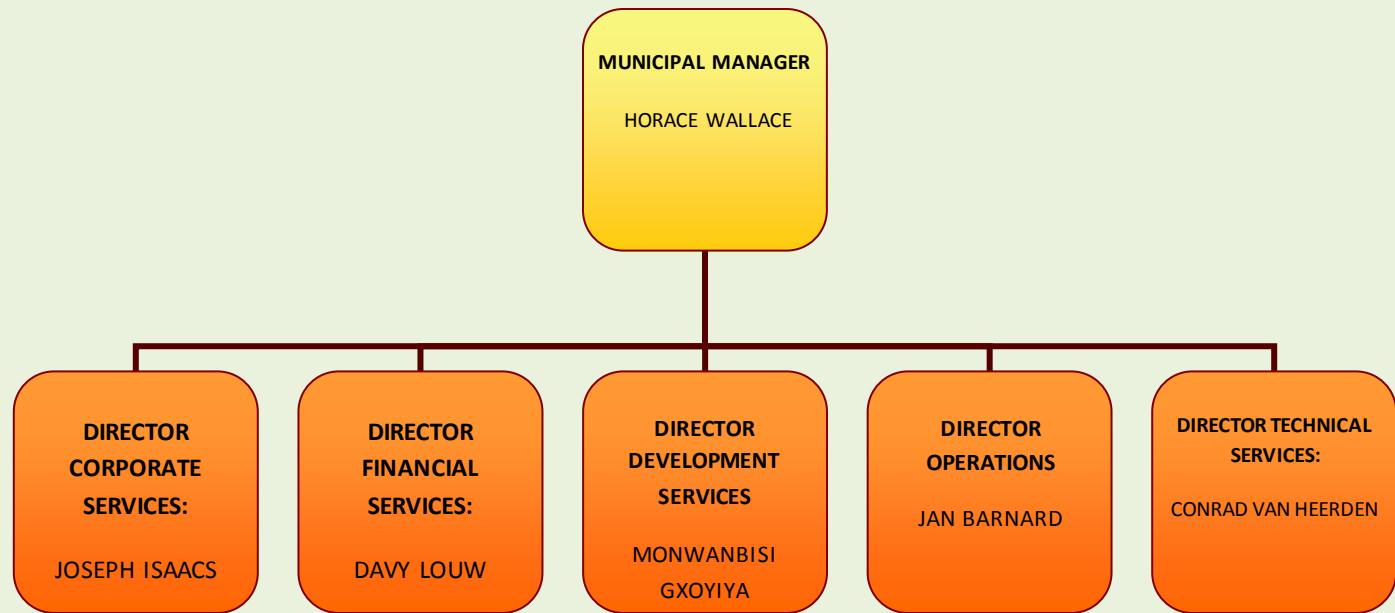
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## APPENDIX B – COMMITTEES AND COMMITTEE PURPOSES

Committees (other than Mayoral / Executive Committee) and Purposes of Committees	
Municipal Committees	Purpose of Committee
Performance and Audit Committee	Internal financial control, internal audits, performance management and
Oversight Committee	To Review the Annual Report and prepare a draft oversight report
Risk Management Committee	Review the municipality's risk identification and assessment methodologies to
Combined Management, Speaker and Executive Mayoral Committee	To assist the executive mayor in the exercise of his powers.
Management Committee	To develop the entrepreneurial spirit, mentality, confidence and skill of schoolaged
Portfolio Committees	Makes provision for the appointment of committees to assist the executive
ICT Committee	Effective implementation and compliance of the Theewaterskloof information
Planning	To plan the next 3-year budget including Review of IDP and prev budget.
Financial Sustainability	Financial Viability Strategy and Implementation Plan and 5 year financial plan
Ward Committees	To assist the ward councilor in the ward. It is an advisory body who makes
Town Advisory Committees	To assist the ward councilor in the ward. It is an advisory body who makes
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## APPENDIX C –THIRD TIER ADMINISTRATIVE STRUCTURE



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## APPENDIX D – FUNCTIONS OF MUNICIPALITY / ENTITY

Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
<b>Constitution Schedule 4, Part B functions:</b>		
Air pollution	Yes	No
Building regulations	Yes	No
Child care facilities	Yes	No
Electricity and gas reticulation	Yes	No
Firefighting services	No	No
Local tourism	Yes	No
Municipal airports	No	No
Municipal planning	Yes	No
Municipal health services	No	No
Municipal public transport	Yes	No
Municipal public works only in respect of the needs of municipalities in the discharge of their responsibilities to administer functions specifically assigned to them under this	Yes	No
Pontoons, ferries, jetties, piers and harbours, excluding the regulation of international and national shipping and matters	No	No
Stormwater management systems in built-up areas	Yes	No
Trading regulations	Yes	No
Water and sanitation services limited to potable water supply systems and domestic waste-water and sewage disposal systems	Yes	No
<i>Continued next page</i>		
<i>Continued from previous page</i>		
Municipal / Entity Functions		
MUNICIPAL FUNCTIONS	Function Applicable to Municipality (Yes / No)*	Function Applicable to Entity (Yes / No)
<b>Constitution Schedule 5, Part B functions:</b>		
Beaches and amusement facilities	Yes	No
Billboards and the display of advertisements in public places	Yes	No
Cemeteries, funeral parlours and crematoria	Yes	No
Cleansing	Yes	No
Control of public nuisances	Yes	No
Control of undertakings that sell liquor to the public	Yes	No
Facilities for the accommodation, care and burial of animals	Yes	No
Fencing and fences	Yes	No
Licensing of dogs	Yes	No
Licensing and control of undertakings that sell food to the public	Yes	No
Local amenities	Yes	No
Local sport facilities	Yes	No
Markets	Yes	No
Municipal abattoirs	Yes	No
Municipal parks and recreation	Yes	No
Municipal roads	Yes	No
Noise pollution	Yes	No
Pounds	Yes	No
Public places	Yes	No
Refuse removal, refuse dumps and solid waste disposal	Yes	No
Street trading	Yes	No
Street lighting	Yes	No
Traffic and parking	Yes	No

\* If municipality: indicate (yes or No); \* If entity: Provide name of entity

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## APPENDIX E – WARD REPORTING

Functionality of Ward Committees					
Ward Name (Number)	Name of Ward Councillor and elected Ward committee members	Committee established (Yes / No)	Number of monthly Committee meetings held during the year	Number of monthly reports submitted to Speakers Office on time	Number of quarterly public ward meetings held during year
Ward 1	<b>Councillor K Tiemie</b>	Yes	<b>5 Meetings</b>		<b>1 Meeting</b>
	C Botha				
	M Kroukamp				
	V Fisher				
	A Mouton				
	J Sebonka				
	J Johnson				
Ward 2	<b>Councillor M Hector</b>	Yes	<b>4 Meetings</b>		<b>0</b>
	C Smith				
	J Coert				
	A Magerman				
	C Windvogel				
	C Myburgh				
	J Kroukamp				
	C Barthus				
	M Reid				
Ward 3	<b>Councillor K Papier</b>	Yes	<b>4 Meetings</b>		<b>1 Meeting</b>
	C van Wyk				
	K Hoffman				
	A de Bruin				
	N Jende				
	S Swarts				
	M Pietersen				
Ward 4	<b>Councillor M Koegelenberg</b>	Yes	<b>4 Meetings</b>		<b>1 Meeting</b>
	G Visser				
	J de Witt				
	J Norval				
	V Wattion				
	M Wessels				
	S Young				
Ward 5	<b>Councillor C Lamprecht</b>	Yes	<b>4 Meetings</b>		<b>1 Meeting</b>
	C Young				
	D Fyfer				
	H Schoeman				
	C Nel				
	N Japhta				
	J Jansen				
	D Rennie				
	<b>Councillor J Nellie</b>	Yes	<b>4 Meetings</b>		<b>1 Meeting</b>
	S Ntantiso				
	J Jantjies				
	H Schoeman				

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Ward 6	J Lakey V Hendricks R Brinkhuys J Mckenzie T van Rooyen D Rennie				
	<b>Councillor P Stanflet</b>	Yes	<b>4 Meetings</b>		<b>1 Meeting</b>
	J Swanepoel				
	I Andries				
	G Visagie				
	N Greeff				
Ward 7	R Jacobs				
	N Kaptein				
	I Swartz				
	E Herman				
	<b>Councillor C Thembani</b>	Yes	<b>5 Meeting</b>		<b>1 Meeting</b>
	M Jiba				
Ward 8	E Gertze				
	M Mosolo				
	T Tsetse				
	P Louw				
	T Kanetsi				
	E Mars				
Ward 9	A Mentile				
	J Stena				
	<b>Councillor N Pieterse</b>	Yes	<b>4 Meetings</b>		<b>1 Meeting</b>
	D Jooste				
	J Gerbers				
	I Kortjé				
Ward 10	G Julies				
	J Titus				
	M Koelman				
	N Fortuin				
	N Goniwe				
	L Jacobs				
Ward 11	H Schoeman				
	<b>Councillor M Plato-Mentoor</b>	Yes	<b>5 Meetings</b>		<b>1 Meeting</b>
	J Rawboue-Viljoen				
	R Damons				
	W Williams				
	R Fisher				
Ward 12	J de Bruin				
	R Mathews				
	C Januarie				
	<b>Councillor J Michels</b>	Yes	<b>5 Meetings</b>		<b>1 Meeting</b>
	R Johnson				
	J Fortuin				
Ward 12	Q Bosman				
	A Theron				
	P Kwaza				
	<b>Councillor U Sipunzi</b>	Yes	<b>5 Meetings</b>		<b>1 Meeting</b>
	M Wani				
	A Inyabor				

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	W Nomxhanya				
	M Mabentisela				
	H Syster				
Ward 13	<b>Councillor M Tshaka</b>	<b>Yes</b>	<b>5 Meetings</b>		<b>1 Meeting</b>
	L Vosloo				
	A Kortjé				
	S Baba				
	M le Roux				
	H Waterboer				
	M Bhangaza				
	J Fourie				
	S Maziza				

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## **APPENDIX F – WARD INFORMATION**

Basic Service Provision					
Detail	Water	Sanitation	Electricity	Refuse	Housing
Households with minimum service delivery					
Households without minimum service delivery					
Total Households*					
Houses completed in year					
Shortfall in Housing units					

Top Four Service Delivery Priorities for Ward (Highest Priority First)		
No.	Priority Name and Detail	Progress During Year 0

ELECTED WARD MEMBERS (STATING NUMBER OF MEETING ATTENDED – MAXIMUM 12 MEETINGS)  
Names: xxx (8); xxx (7)...

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APPENDIX G – RECOMMENDATIONS OF THE MUNICIPAL AUDIT COMMITTEE YEAR 0

APPENDIX H – LONG TERM CONTRACTS AND PUBLIC PRIVATE PARTNERSHIPS

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## APPENDIX I – MUNICIPAL ENTITY/ SERVICE PROVIDER PERFORMANCE SCHEDULE

Municipal Entity/Service Provider Performance Schedule												
Name of Entity & Purpose  (i)	(a) Service Indicators		Year 0		Year 1		Year 2		Year 3			
			Target *Previous Year (iii)	Actual (iv)	Target *Previous Year (v)	Actual *Current Year (vi)	Target *Current Year (vii)	Actual *Current Year (viii)	Target *Current Year (ix)	Actual *Following Year (x)		
	(b) Service Targets											

Note: This statement should include no more than the top four priority indicators. \*'Previous Year' refers to the targets that were set in the Year -1 Budget/IDP round; "Current Year" refers to the targets set in the Year 0 Budget/IDP round. "Following Year" refers to the targets set in the Year 1 Budget/IDP round. Note that all targets must be fundable within approved budget provision. In column (ii) set out the Service Indicator (In bold italics) then the Service Target underneath (not in bold - standard type face) to denote the difference.

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## APPENDIX J – DISCLOSURES OF FINANCIAL INTERESTS

Disclosures of Financial Interests		
Period 1 July to 30 June of Year 15/16 (Current Year)		
Position	Name	Description of Financial interests* (Nil / Or details)
<b>(Executive) Mayor</b>	CB Punt	Nil
<b>Member of MayCo / Exco</b>		
Mayor	CB Punt	Nil
Deputy Mayor	M Tshaka	Nil
Councillor	K Papier	Nil
Councillor	G Carelse	Nil
Councillor	P Stanflet	Nil
Councillor	MM Koegelenberg	Nil
Councillor	CM Lamprecht	Nil
Councillor	M Appel	Nil
Councillor	JA van Niekerk	Nil
Councillor	CV Thembani	Nil
Councillor	MR Nongxaza	Nil
Councillor	M Hector	Nil
Councillor	N Pieterse	Nil
Councillor	M Plato	Nil
Councillor	JP Hendricks	Nil
Councillor	AHF Cupido	Nil
Councillor	P de Wet	Nil
Councillor	UT Sipunzi	Nil
Councillor	F Mankayi	Nil
Councillor	IM Sileku	Nil
Councillor	J Nellie	Nil
Councillor	K Tiemie	Nil
Councillor	CD November	Nil
<b>Municipal Manager</b>	HSD Wallace	Property (residential) Value R2,5m; 753 shares in Sanlam
<b>Chief Financial Officer</b>	D Louw	Plot 419 Value-R420000, Plot 4035 Value- R1785400
<b>Deputy MM and (Executive) Directors</b>		
Director: Corporate	J Isaacs	Plot: 15524 (Purchase price-R310000); Plot 85 (Purchase price R50000); Plot 3281 (Purchase price R214000); Plot 1018 (PP-R22000); Plot 3938 (PP-R980000); Plot 12139 (PP-R191000); Plot 12767 (PP-R41 000); Plot 2997 (PP-R209000); Plot 5110 (PP-R223 471)
Director: Development	MH Gxoyiya	Premier Attraction 1411, Partnership/director: BIZ Africa, Siya Soso Food and Meat Distributors, 25% Absa shares.
Director: Technical	C van Heerden	Plot 3887 Kleinmond Value-R1,5m; Pusela Tzaneen Value-R1m
Director: Operational	J Barnard	House Value-R2 m
<b>Other S57 Officials</b>		

\* Financial interests to be disclosed even if they incurred for only part of the year. See MBRR SA34A

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# APPENDICES

## APPENDIX K: REVENUE COLLECTION PERFORMANCE BY VOTE AND BY SOURCE

### APPENDIX K (i): REVENUE COLLECTION PERFORMANCE BY VOTE

Vote Description	Revenue Collection Performance by Vote					
	2014/2015	2015/2016			2015/2016	
Actual	Original Budget	Adjusted Budget	Actual	Original Budget	Adjustments Budget	
Vote 1 - Executive & Council	7,372	2,113	1,259	7,763	267%	516%
Vote 2 - Finance & Admin	133,599	133,982	178,101	181,323	35%	2%
Vote 3 - Planning & Development	2,004	3,091	5,389	5,239	69%	-3%
Vote 4 - Community & Social Services	6,156	7,090	7,506	7,171	1%	-4%
Vote 5 - Housing	59,099	63,643	86,266	50,823	-20%	-41%
Vote 6 - Public Safety	25,340	15,306	25,898	31,275	104%	21%
Vote 7 - Sport & Recreation	(780)	(744)	(767)	(673)	-10%	-12%
Vote 8 - Environmental Protection	-	-	-	-	-	-
Vote 9 - Waste Management	26,211	34,812	30,989	31,186	-10%	1%
Vote 10 - Waste Water Management	25,581	26,789	28,081	30,289	13%	8%
Vote 11 - Roads Transport	5,078	5,609	6,555	5,423	-3%	-17%
Vote 12 - Water	45,445	60,848	51,135	52,073	-14%	2%
Vote 13 - Electricity	75,847	83,198	84,698	82,783	0%	-2%
Vote 14 - Other	31,442	30,467	-	40	-100%	-
Vote 15 - [NAME OF VOTE 15]						
<b>Total Revenue by Vote</b>	<b>442,395</b>	<b>466,204</b>	<b>505,110</b>	<b>484,714</b>		
<i>Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A3</i>						TK.1

# APPENDICES

## APPENDIX K (ii): REVENUE COLLECTION PERFORMANCE BY SOURCE

Description	Revenue Collection Performance by Source					
	'2014/15	'2015/16		2015/2016 Variance		
	Actual	Original Budget	Adjustments Budget	Actual	Original Budget	Adjustments Budget
Property rates	68,769	75,213	75,213	76,025	1.08%	1.08%
Property rates - penalties & collection charges	-	-				
Service Charges - electricity revenue	67,096	81,636	82,636	80,498	-1.39%	-2.59%
Service Charges - water revenue	43,967	53,252	47,840	50,307	-5.53%	5.16%
Service Charges - sanitation revenue	21,195	20,856	22,148	24,978	19.76%	12.78%
Service Charges - refuse revenue	21,496	25,849	25,849	25,222	-2.43%	-2.43%
Service Charges - other	206	(3,320)	(1,908)	(4,350)	31.04%	128.04%
Rentals of facilities and equipment	1,467	1,764	1,726	1,551	-12.06%	-10.16%
Interest earned - external investments	5,134	2,606	4,500	7,323	180.99%	62.73%
Interest earned - outstanding debtors	6,473	6,804	6,804	7,971	17.16%	17.16%
Dividends received		-	-			
Fines	25,247	15,257	25,743	30,983	103.07%	20.36%
Licences and permits	2,561	2,603	2,583	2,274	-12.62%	-11.94%
Agency services	2,435	2,478	2,478	2,667	7.64%	7.64%
Transfers recognised - operational	109,684	136,386	201,367	161,399	18.34%	-19.85%
Other revenue	5,126	3,957	5,884	17,865	351.49%	203.60%
Gains on disposal of PPE	1,867	2,247	2,247	-		
Environmental Protection	-	-	-	-		
<b>Total Revenue (excluding capital transfers and contributions)</b>	<b>382,724</b>	<b>427,588</b>	<b>505,110</b>	<b>484,714</b>	<b>11.79%</b>	<b>-4.21%</b>

*Variances are calculated by dividing the difference between actual and original/adjustments budget by the actual. This table is aligned to MBRR table A4.*

T K.2

# APPENDICES

## APPENDIX L: CONDITIONAL GRANTS RECEIVED: EXCLUDING MIG

Details	Budget	Adjustments Budget	Actual	Variance		Major conditions applied by donor (continue below if necessary)	R' 000
				Budget	Adjust- ments Budget		
<b>National Treasury</b>							
Equitable Share (Indigent)	63,909	63,909	63,908	0%	0%		
Local Government Financial Management Grant (FMG)	1,600	1,600	1,124	-30%	-30%		
Municipal System Improvement Grant (MSIG)	930	930	930	0%	0%		
National Electrification Programme (NEP)	5,000	5,000	4,753	-5%	-5%		
Expanded Public Works Programmes	1,086	1,095	1,148	6%	5%		
Regional Bulk Infrastructure Grant (RBIG)	4,000	1,898	2,164	-46%	14%		
Municipal Disaster Recovery	946	0	946	0%			
<b>Total</b>	<b>77,471</b>	<b>74,432</b>	<b>74,973</b>	<b>-3%</b>	<b>1%</b>		
<b>Provincial Treasury</b>							
Integrated Housing and Human Settlement & Dev. Grant	63,643	86,266	50,823	-20%	-41%		
CDW Operational Support Grant	126	159	158	26%	-1%		
Maintenance Of Proclaimed Main Roads	114	114	82	-28%	-28%		
Library Service Conditional Grant	6,539	7,129	6,740	3%	5%		
WC Financial Management Support Grant (888 101)	0	888	498		-44%		
WC Financial management Support Grant (307 000)	0	307	0		-100%		
WC Financial management Support Grant (50 000)	0	50	8		-83%		
Financial management Support Grant (987 000)	0	1,831	824		-55%		
Municipal Infrastructure Support Grant	0	500	0		-100%		
<b>Total</b>	<b>70,422</b>	<b>97,244</b>	<b>59,134</b>	<b>-16%</b>	<b>-39%</b>		
<b>Other Specify</b>							
SETA	1,645	1,645	326	-80%	-80%		
DBSA LEDI	0	328	0		-100%		
HAN students	72	703	1,014	1308%	44%		
IDC Grant	0	213	50		-76%		
<b>Total</b>	<b>1,717</b>	<b>2,888</b>	<b>1,390</b>	<b>-19%</b>	<b>-52%</b>		

\* This includes Neighbourhood Development Partnership Grant, Public Transport Infrastructure and Systems Grant and any other grant

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### COMMENT ON CONDITIONAL GRANTS EXCLUDING MIG:

**Delete Directive note once comment is completed** – Use this box to provide additional information on grant benefits or conditions and reasons for acceptance.

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# APPENDICES

## APPENDIX M: CAPITAL EXPENDITURE – NEW & UPGRADE/RENEWAL PROGRAMMES

### APPENDIX M (i): CAPITAL EXPENDITURE - NEW ASSETS PROGRAMME

Description	Capital Expenditure - New Assets Programme*						R '000
	2014/2015	2015/2016			Planned Capital expenditure		
		Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	-	32 057	39 053	30 557	-	-	-
<b>Infrastructure: Road transport - Total</b>	-	3 800	983	772	-	-	-
<i>Roads, Pavements &amp; Bridges</i>		800	800	589			
<i>Storm water</i>		3 000	183	183			
<b>Infrastructure: Electricity - Total</b>	-	8 830	10 657	10 386	-	-	-
<i>Generation</i>							
<i>Transmission &amp; Reticulation</i>		8 000	9 692	9 455			
<i>Street Lighting</i>		830	965	931			
<b>Infrastructure: Water - Total</b>	-	4 026	6 568	3 816	-	-	-
<i>Dams &amp; Reservoirs</i>		3 526	5 136	2 384			
<i>Water purification</i>		500	1 432	1 432			
<b>Infrastructure: Sanitation - Total</b>	-	6 500	9 163	8 514	-	-	-
<i>Reticulation</i>		6 500	9 163	8 514			
<i>Sewerage purification</i>							
<b>Infrastructure: Other - Total</b>	-	8 900	11 682	7 069	-	-	-
<i>Waste Management</i>							
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>		8 900	11 682	7 069			
<b>Community - Total</b>	-	797	4 219	1 112	-	-	-
Parks & gardens							
Sportsfields & stadia		797	3 439	1 112			
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries		-	780	-			
Social rental housing							
Other							

Table continued next page

# APPENDICES

Capital Expenditure - New Assets Programme*							R '000
Description	Year 0	Year 1			Planned Capital expenditure		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Heritage assets - Total</b>	-	-	-	-	-	-	-
Buildings							
Other							
<b>Investment properties - Total</b>	-	-	-	-	-	-	-
Housing development							
Other							
<b>Other assets</b>	-	6 000	9 804	9 696	-	-	-
General vehicles		2 000	5 904	4 610			
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment		852	957	1 657			
Furniture and other office equipment		2 748	2 633	3 118			
Abattoirs							
Markets							
Civic Land and Buildings		-	310	310			
Other Buildings							
Other Land		400	-	-			
Surplus Assets - (Investment or Inventory)							
Other							
<b>Agricultural assets</b>	-	-	-	-	-	-	-
<i>List sub-class</i>							
<b>Biological assets</b>	-	-	-	-	-	-	-
<i>List sub-class</i>							
<b>Intangibles</b>	-	-		-	-	-	-
Computers - software & programming							
Other ( <i>list sub-class</i> )							
<b>Total Capital Expenditure on new asset</b>	-	38 853	53 076	41 364	-	-	-
<b>Specialised vehicles</b>	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

\* Note: Information for this table may be sourced from MBRR (2009: Table SA34a)

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# APPENDICES

## APPENDIX M (ii): CAPITAL EXPENDITURE – UPGRADE/RENEWAL PROGRAMME

Description	Capital Expenditure - Upgrade/Renewal Programme*						
	Year 0 Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	R '000 FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Infrastructure - Total</b>	–	22 120	25 514	21 223	–	–	–
Infrastructure: Road transport -Total	–	–	2 946	2 746	–	–	–
<i>Roads, Pavements &amp; Bridges</i>			2 946	2 746			
<i>Storm water</i>			–	–			
Infrastructure: Electricity - Total	–	2 620	2 881	2 370	–	–	–
<i>Generation</i>							
<i>Transmission &amp; Reticulation</i>		2 620	2 881	2 370			
<i>Street Lighting</i>							
Infrastructure: Water - Total	–	500	4 083	2 765	–	–	–
<i>Dams &amp; Reservoirs</i>							
<i>Water purification</i>		–		–			
<i>Reticulation</i>		500	4 083	2 765			
Infrastructure: Sanitation - Total	–	16 000	12 604	10 343	–	–	–
<i>Reticulation</i>		16 000	12 604	10 343			
<i>Sewerage purification</i>							
Infrastructure: Other - Total	–	3 000	3 000	3 000	–	–	–
<i>Waste Management</i>		3 000	3 000	3 000			
<i>Transportation</i>							
<i>Gas</i>							
<i>Other</i>							
<b>Community</b>	–	–	1 200	2 644	–	–	–
Parks & gardens							
Sportsfields & stadia		–	1 200	2 644			
Swimming pools							
Community halls							
Libraries							
Recreational facilities							
Fire, safety & emergency							
Security and policing							
Buses							
Clinics							
Museums & Art Galleries							
Cemeteries							
Social rental housing							
Other							
<b>Heritage assets</b>	–	–	–	–	–	–	–
Buildings		–	–	–			
Other							

Table continued next page

# APPENDICES

Capital Expenditure - Upgrade/Renewal Programme*							
Description	Year 0		Year 1		Planned Capital		
	Actual	Original Budget	Adjustment Budget	Actual Expenditure	FY + 1	FY + 2	FY + 3
<b>Capital expenditure by Asset Class</b>							
<b>Investment properties</b>	-	-		-	-	-	-
Housing development							
Other							
<b>Other assets</b>	-	-		-	-	-	-
General vehicles							
Specialised vehicles							
Plant & equipment							
Computers - hardware/equipment							
Furniture and other office equipment							
Abattoirs							
Markets							
Civic Land and Buildings							
Other Buildings							
Other Land							
Surplus Assets - (Investment or Inventory)							
Other							
<b>Agricultural assets</b>	-	-		-	-	-	-
<i>List sub-class</i>							
<b>Biological assets</b>	-	-		-	-	-	-
<i>List sub-class</i>							
<b>Intangibles</b>	-	-		-	-	-	-
Computers - software & programming							
Other ( <i>list sub-class</i> )							
<b>Total Capital Expenditure on renewal of existing assets</b>	-	22 120	26 714	23 867	-	-	-
<b>Specialised vehicles</b>	-	-		-	-	-	-
Refuse							
Fire							
Conservancy							
Ambulances							

\* Note: Information for this table may be sourced from MBRR (2009: Table SA34b)

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# APPENDICES

APPENDIX N – CAPITAL PROGRAMME BY PROJECT YEAR 0

# APPENDICES

Capital Programme by Project: 2015/16						R' 000
Capital Project	Original Budget	Adjustment Budget	Actual	Variance (Act - Adj) %	Variance (Act - OB) %	
<b>Water</b>	<b>4,526</b>	<b>10,652</b>	<b>6,581</b>			
Upgrade Bulk Water Storage Capacity - New Reservoir	3,526	4,119	2,384	-42%	-32%	
New water connector pipe, Phukom housing	500	1,432	1,432	0%	186%	
Nuwe Steenbras Reservoir	0	1,017	0	-100%		
Repair and Replace Water pre-paid meters	500	4,083	2,765	-32%	453%	
<b>Electricity</b>	<b>11,450</b>	<b>13,537</b>	<b>12,756</b>			
Replace switch station c/o Human & V Riebeeck street, Caledon	720	806	720	-11%	0%	
New Cable between Aandblom & Veldblomtuin sub-stations, Caledon	3,000	2,278	2,277	0%	-24%	
Infrastructure: Santa, Site Saviva, Riemvasmaak, Caledon	5,000	3,027	3,015	0%	-40%	
Upgrade overhead line, Caledon & Unie Avenue, Villiersdorp	500	532	388	-27%	-22%	
High mast/Street lights, Villiersdorp	415	550	516	-6%	24%	
Installation of services Erf 24, 251 Houses electrification, Villiersdorp	0	3,353	3,137	-6%		
MV Feeder cable, Villiersdorp	0	854	850	-1%		
Streetlights, Botrivier	0	180	176	-2%		
Upgrade Network, Main Street, Genadendal & Greyton	800	1,028	798	-22%	0%	
High mast/Street lights, Grabouw	415	415	414	0%	0%	
Upgrading Buitekant Street, Phase II, RSE	600	514	465	-10%	-22%	
<b>Sewerage/Sanitation</b>	<b>25,500</b>	<b>24,767</b>	<b>21,857</b>			
Grabouw Waste Water Treatment Plant	4,000	4,914	4,265	-13%	7%	
Upgrading of Villiersdorp Waste Water Treatment Works	2,500	4,249	4,249	0%	70%	
Upgrading of Caledon Waste Water Treatment Works	500	500	373	-25%	-25%	
Upgrade Main Outfall Sewer Caledon	3,000	541	541	0%	-82%	
Upgrade Main Outfall Sewer Villiersdorp	12,500	11,564	9,429	-18%	-25%	
Extention of Waste Transfer Station, Grabouw	3,000	3,000	3,000	0%	0%	
<b>Housing</b>	<b>8,900</b>	<b>11,682</b>	<b>7,069</b>			
Low cost housing projects	8,900	11,682	7,069	-39%	-21%	
<b>Sports Fields</b>	<b>797</b>	<b>4,639</b>	<b>3,551</b>	-23%	346%	
New Sport Facility Phase I	797	797	213	-73%	-73%	
Upgrade of Sport Facilities	0	1,200	1,194	0%		
Sport Facility Ablution	0	942	1,245	32%		
Sport Facility - Dennekruin	0	1,700	898	-47%		
<b>Fleet</b>	<b>2,000</b>	<b>5,904</b>	<b>4,610</b>	-22%	131%	
Upgrade of Fleet	2,000	5,904	4,610	-22%	131%	
<b>Roads, Pavements, Bridges &amp; Stormwater</b>	<b>3,800</b>	<b>3,929</b>	<b>3,518</b>	-10%	-7%	
Access Road,Tesselaarsdal	800	0	0		-100%	
Tesselaarsdal Stormwater	0	1,746	1,535	-12%		
New Storm Water Infrastructure, Phukom,Villiersdorp	3,000	183	183	0%	-94%	
Upgrading Roads Infrastructure - Greyton	0	2,000	1,800	-10%		
<b>Land and Buildings</b>	<b>400</b>	<b>1,090</b>	<b>310</b>	-72%	-23%	
Purchase house for Library, Tesselaarsdal	0	310	310	0%		
Extention 12 Infrastructure Contribution, Caledon	400	0	0		-100%	
Cemetery, Caledon	0	401	0	-100%		
Cemetery, Grabouw	0	379	0	-100%		
<b>Office Equipment</b>	<b>3,600</b>	<b>3,590</b>	<b>4,775</b>	33%	33%	
Inventory Items	38	38	32	-16%	-16%	
Inventory Items	158	158	275	74%	74%	
Inventory Items	21	92	295	219%	1304%	
Inventory Items	351	351	327	-7%	-7%	
Inventory Items	145	145	105	-27%	-27%	
Inventory Items	236	210	134	-36%	-43%	
Inventory Items	253	243	253	4%	0%	
Inventory Items	852	957	1,861	94%	118%	
Inventory Items	794	644	621	-4%	-22%	
Inventory Items	258	258	223	-14%	-14%	
Inventory Items	104	104	102	-3%	-3%	
Inventory Items	204	204	222	9%	9%	
Inventory Items	187	187	325	74%	74%	
	60,973	79,791	65,027			
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# APPENDICES

## APPENDIX O – CAPITAL PROGRAMME BY PROJECT BY WARD YEAR 0

Capital Programme by Project by Ward: Year 2015/16			R' 000
Capital Project	Ward(s) affected	Works completed (Yes/No)	
<b>Botrivier</b>			
Streetlights	Ward 7	Yes	
<b>Caledon</b>			
Extention 12 Infrastructure Contribution	Ward 1	No	
Cemetry Caledon	Ward 1	No	
Replace switch station c/o Human & V Riebeeck street	Ward 1	Yes	
New Cable between Aandblom & Veldblomtuin sub-stations	Ward 3	Yes	
Infrastructure: Santa, Site Saviva, Riemvasmaak	Ward 1	Yes	
Upgrade of Waste Water Treatment Works (Housing)	Ward 3,4	The feasibility study by Aurecon has been completed and submitted. Pannel have been insatiled, Cabel was layed and connected.	
Upgrade Main Outfall sewer	Ward 1	No	
Low cost housing projects	Ward 1	No	
Inventory Items	Ward 3	Yes	
<b>Greyton</b>			
Upgrading Roads Infrastructure - Greyton	Ward 4	Technical Services Completed.	
Upgrade Network, Main Street	Ward 2	Yes	
Inventory Items	Ward 2	Yes	
<b>Tesselaarsdal</b>			
Purchase house for Library	Ward 8,9	Yes	
Access Road	Ward 8,9	Yes	
Tesselaarsdal Stormwater	Ward 8,9	No	
New Sport Facility Phase I	Ward 8,9	No	
<b>Grabouw</b>			
Cemetry Grabouw	8,10,11,12,13	No	
Nuwe Steenbras Reservoir	8,10,11,12,13	Construction Contract being terminated	
High mast/Street lights	11,8,13,12	Yes	
Grabouw Waste Water Treatment Plant	Ward 11	The portial frame is completed.	
Low cost housing projects	8,10,11,12,13	No	
Extention of Waste Transfer Station	8,10,11,12,13	Phase 1 Completed.	
Sport Facility - Dennekruin	Ward 11	Yes	
Inventory Items	All Wards	Yes	
<b>Riviersonderend</b>			
Upgrade Bulk Water Storage Capacity - New Reservoir	Ward 3	Excavation completed.	
Upgrading Buitekant Street, Phase II	Ward 1	Yes	
Low cost housing projects	Ward 1	No	
Inventory Items	Ward 3	Yes	
<b>TWK</b>			
Repair and Replace Water pre-paid meters	All Wards	No	
Low cost housing projects	Ward 4	No	
Upgrade of Fleet	Ward 3	No	
Inventory Items	All Wards	No	
Inventory Items	All Wards	Yes	
Inventory Items	All Wards	No	
Inventory Items	All Wards	No	
Inventory Items	All Wards	No	
<b>Villiersdorp</b>			
New Storm Water Infrastructure, Phukom	Ward 6	No	
New water connector pipe, Phukom housing	Ward 5	Phase 1 completed.	
Upgrade overhead line, Caledon & Unie Avenue	Ward 5,6	Yes	
High mast/Street lights	Ward 5	Yes	
MV Feeder cable	Ward 6	Yes	
New sewerage reticulation system, RDP housing	Ward 5,6	Yes	
Upgrade Waste Water Treatment Works	Ward 5,6	Delayed	
Low cost housing projects	Ward 5,7	No	
Upgrade of Sport Facilities	Ward 5	Yes	
Sport Facility Ablution	Ward 6	Yes	
Inventory Items	Ward 5,7	Yes	
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# APPENDICES

## APPENDIX P – SERVICE CONNECTION BACKLOGS AT SCHOOLS AND CLINICS

Service Backlogs: Schools and Clinics				
Establishments lacking basic services	Water	Sanitation	Electricity	Solid Waste Collection
Schools (NAMES, LOCATIONS)				
Clinics (NAMES, LOCATIONS)				
<i>Names and locations of schools and clinics lacking one or more services. Use 'x' to mark lack of service at appropriate level for the number of people attending the school/clinic, allowing for the proper functioning of the establishment concerned.</i>				TP

# APPENDICES

## APPENDIX Q – SERVICE BACKLOGS EXPERIENCED BY THE COMMUNITY WHERE ANOTHER SPHERE OF GOVERNMENT IS RESPONSIBLE FOR SERVICE PROVISION

Service Backlogs Experienced by the Community where another Sphere of Government is the Service Provider (where the municipality whether or not act on agency basis)		
Services and Locations	Scale of backlogs	Impact of backlogs
Clinics:		
Housing:		
Licencing and Testing Centre:		
Resevoirs		
Schools (Primary and High):		
Sports Fields:		
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# APPENDICES

**APPENDIX R – DECLARATION OF LOANS AND GRANTS MADE BY THE MUNICIPALITY**

# APPENDICES

## APPENDIX S – NATIONAL AND PROVINCIAL OUTCOMES FOR LOCAL GOVERNMENT

National and Provincial Outcomes for Local Government		
Outcome/Output	Progress to date	Number or Percentage Achieved
Output: Improving access to basic services		
Output: Implementation of the Community Work Programme		
Output: Deepen democracy through a refined Ward Committee model		
Output: Administrative and financial capability		

\* Note: Some of the outputs detailed on this table may have been reported elsewhere in the Annual Report. Kindly ensure that this information consistent.

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# VOLUME II

## VOLUME II: ANNUAL FINANCIAL STATEMENTS

Provide the Annual Financial Statements (AFS) to the respective financial year as submitted to the Auditor-General. The completed AFS will be Volume II of the Annual Report.